

U.S. Agency Outlines Private Sector's Role In New Aid Program

By Barbara Crosscut
New York Times Service
WASHINGTON — The Reagan administration has outlined how it intends to give private enterprise a larger role in U.S. foreign aid.

M. Peter McPherson, administrator of the International Development Cooperation Agency, speaking Monday at a joint congressional hearing and later in an interview at his office, said the agency's newly created Bureau for Private Enterprise would be sending the first of several reconnaissance missions to the Third World on Wednesday.

The team, which will go to Indonesia, is to be led by an agency official but will be made up mostly of American business, financial and investment experts. Similar groups are scheduled to go to Kenya, Sri Lanka and Thailand before the end of the year. Egypt, Pakistan, the Ivory Coast, Zimbabwe, Jamaica and Costa Rica may be visited later.

The teams will assess investment and development possibilities in the nations visited. They will also report on what climate the host government has created in support of private-sector activity.

Strategically important
The first countries to be visited were chosen, according to Mr. McPherson, because they already had a recognized private sector, were strategically and commercially important to the United States and already had an aid agency presence.

The Reagan administration has been on record since last winter as favoring a move away from support for aid programs carried out through international development organizations and toward specific nation-to-nation agreements.

Mr. McPherson, a former Peace Corps volunteer in Peru who was President Reagan's general counsel to the White House transition team last winter before being appointed to the agency post, said the administration continued to

support the international lending institutions like the World Bank and International Monetary Fund. However, he said no policy decisions had yet been made on future fund levels.

He said that his agency was no longer engaged in providing assistance for large-scale development projects like roads, electrification and railroads, but would leave those to the World Bank. He also said that grant programs needed rethinking. "We are not an international welfare agency," he said, adding that food giveaway programs were not in the best interests of receiving nations.

Costa Rican Consortium
Following Mr. Reagan's policies, Mr. McPherson said, the agency will be using its foreign assistance funds for specific, seed-capital, job-generating projects aimed at helping the Third World private sector help itself. He gave as an example a \$10-million investment-generating loan given recently to a consortium of Costa Ricans to set up a private bank.

The Bureau for Private Enterprise, headed by an assistant administrator, Elise du Pont, will concentrate, according to Mr. McPherson, on the transfer of private know-how and capital "rather than taxpayers' dollars" to developing nations.

"It is our goal to establish a relationship between the United States private sector and private sectors in the developing countries," Mr. McPherson said in testimony before the joint subcommittee on trade, productivity and economic growth.

In addition, the agency will use the relatively small \$4-million Trade and Development Program fund to help American firms bidding on projects in developing nations. Mr. McPherson said that a \$300,000 grant to the Philippines to pay for a feasibility study for a steel mill had led earlier this year to a \$4.8-million contract for United States Steel.



A soldier carrying an automatic weapon is one member of the military "mooze" that has been thrown around the Mexican resort of Cancun as the North-South economic summit nears.

U.S. Takes Cautious Course On Greek Election Results

By Bernard Gwertzman
New York Times Service
WASHINGTON — The election of Andreas Papandreu as Greece's new premier has jolted the Reagan administration, but the United States has decided to try to avoid an early public confrontation with the Socialist leader, whose party platform espouses Greek withdrawal from the Western alliance and the closing of U.S. military bases in Greece.

Turkey has initiated a new plan for resolving the seven-year-old Cyprus problem by offering to open negotiations on demarcation of Greek and Turkish Cypriot zones and on formation of a new government that would guarantee Turkish rights.

But Mr. Papandreu has advocated a tougher position regarding the Turks and has said there should be no negotiations while Turkey maintains troops on the island.

Mr. Papandreu also has called for the removal of all U.S. nuclear weapons from Greece and for creating a nuclear-free zone in the Balkans, a concept traditionally opposed by the United States.

would first seek to win concessions from the United States on such questions as ending the Turkish occupation of 40 percent of Cyprus ensuring that Greece receives aid from Washington at a guaranteed rate of 70 percent of that given Turkey.

Officials said Mr. Papandreu's victory also may complicate the political situation in the Eastern Mediterranean significantly.

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With this in mind, the government has been secretly debating a plan to reorganize the process of supervising industrial exports.

Championed by the External Relations and Defense ministries, the proposed reorganization, which would give wider review powers to the government, would close many loopholes in the existing system, under which military sales are reviewed by an interministerial group and so-called sensi-

Papandreu Cabinet To Be Sworn In Today

By Marvinne Howe
New York Times Service
ATHENS — Premier-designate Andreas Papandreu received a mandate Tuesday to form Greece's first Socialist government, ending 35 years of rightist rule.

In a brief audience with President Constantine Caramanlis, Mr. Papandreu presented a list of his Cabinet choices, which was said to include mainly moderate leftists from the leadership of his Panhellenic Socialist Movement.

Earlier, Premier George Rallis, whose conservative New Democracy Party suffered a crushing defeat in Sunday's election, submitted his resignation.

Mr. Papandreu and his new Cabinet are to be sworn in by Mr. Caramanlis on Wednesday. The constitution states that the new Parliament must be convened within one month and the government will then have two weeks to present its program.

With nearly all the votes counted, the Interior Ministry confirmed that the Socialists scored a landslide victory, winning 174 seats in the 300-member parliament, compared to 113 for New Democracy and 13 for the pro-Moscow Communist Party.

With its comfortable majority, the Socialist Movement is expected to initiate widespread social reforms and take a more independent line in foreign policy. The party's slogans call for Greece's withdrawal from NATO and the Common Market as well as the closure of U.S. military bases.

Nevertheless, in recent months Mr. Papandreu has taken a more moderate stand. He now suggests that Greece should only pull out of NATO's military wing, "like France." He talks of "a transitional period" for the U.S. bases.

In the first sign of nervousness over the Socialist program to "socialize" key sectors of the economy, the Greek Industrialists Association published an "open letter" to the new government Tuesday, warning against "experiments."

Emphasizing that it was necessary to clarify the framework of private enterprise, the industrialists said: "We believe that what is needed is the immediate and clear establishment of the limits of the public sector or state intervention and of entrepreneurial experimentation."

Persons widely mentioned as possible Cabinet ministers include: Ioannis Charalambopoulos, 62, a leader in the struggle against the military dictatorship; George Gennimatis, 42, civil engineer and expert in local administration; Apostolos Tsohadopoulos, 42, civil engineer and party organizer; Apostolos Lazaris, 60, architect of the Socialist Movement's economic

policy; and Melina Mercouri, the actress, 55, who is believed to be slated to become minister of culture and sciences.

Mr. Papandreu is expected to keep the portfolio of defense as well as premier's job.

Ecevit Rebutts Leader Over End to Parties

The Associated Press
ANKARA, Turkey — Ecevit, a former premier of Turkey, took the risk Tuesday of challenging Gen. Kenan Evren's reasons for dissolving political parties and confiscating their property.

"If everybody is silent in the face of such actions [the dissolution of the parties] then we have no right to claim we deserve democracy," Mr. Ecevit explained when asked why he had decided to speak out.

In a speech broadcast last Friday on state radio and television, Gen. Evren, the head of state, accused leaders of the now-dissolved parties of failing to "put aside personal or party interests in favor of the nation's welfare and peace of mind and of the state's perpetuity."

Mr. Ecevit said he made the rebuttal according to Article 27 of the Turkish Constitution, which he said grants "the right of rebuttal in case of publications or broadcasts containing derogatory remarks or allegations contrary to fact."

It seemed clear to Turkish legal observers, however, that Mr. Ecevit could be imprisoned for up to two years for violating Military Communiqué 52, which bans politicians from commenting on the past, present or future course of the country.

His seven-page rebuttal dwelled mainly on specific allegations made by Gen. Evren in his speech. But one paragraph could be construed by the military as a political statement and therefore in violation of Communiqué 52.

"It is a fact that, in view of my own conception of democracy, I cannot bring myself to approve the present mode of administration in Turkey or the regime that is being stipulated for Turkey by the current administration."

Two paragraphs later, however, Mr. Ecevit softened that criticism, saying: "Despite these [views], when I talk to people who share my views, I emphasize that one should categorically refrain from behavior that can be construed as taking a stand against the army, because the army is the army of us all."

WORLD NEWS BRIEFS

Polisario Denies Charge by Hassan

The Associated Press
UNITED NATIONS, N.Y. — The Polisario Front has denied allegations that Soviet-made missiles were used to shoot down two Moroccan Air Force planes in the Western Sahara, about 19 miles (30 kilometers) from the border with Mauritania.

King Hassan II of Morocco said the attacks last week at the desert outpost of Guelta Zemmur were carried out by non-African firing Soviet surface-to-air missiles. A Polisario spokesman, Mahmoud Abdel Fatah, denied the allegation Monday and said the attack was carried out by Polisario Front members. He refused to say what weapons were used.

Government Resigns in India State

The Associated Press
NEW DELHI — The Communist-led government in India's Kerala state resigned Tuesday after the second partner in less than a week withdrew from the ruling coalition.

The Sharda Pawan Congress Party withdrew last weekend from the coalition, and Tuesday the Kerala Mani Congress Party defected. That left the 21-month-old government led by Chief Minister E.K. Nayanar's Marxist Communist Party with 62 seats in the 141-member state legislature. Both parties that quit had complained about the deterioration of law and order in Kerala.

If none of the more than a dozen political parties in the legislature can form a new coalition, Gov. Jyothi Venkatchalam could recommend that the national government in New Delhi assume direct control of the state, a move that could lead to new elections.

Gunmen Kill Shiite Leader in Beirut

United Press International
BEIRUT — A political leader of the Iranian-backed Shiite Al Amal organization was shot to death by unidentified gunmen Tuesday in a vegetable market in predominantly Moslem West Beirut, a spokesman for the group said.

The spokesman said that Hassan Sherri, 26, was attacked by at least five gunmen, one of whom shot him in the back. Nabih Berri, the military and political commander of Al Amal, said the motives for the assassination were "political." But he did not accuse any of the other organizations that are active in West Beirut.

Al Amal, armed and financed by Iran, has repeatedly clashed with gunmen belonging to various pro-Iraqi political groups since the Iran-Iraq war broke out last year.

Wife Defies Dublin Over Ransom

The Associated Press
DUBLIN — The wife of Ben Dunne Jr., the kidnapped chain-store executive, said Tuesday she would defy efforts by the Irish Republic government to stop his family from paying a \$875,000 ransom to the abductors, believed to be a guerrilla group.

"I will do whatever the kidnappers want to get my husband back," Mary Dunne said in a statement. "His release is my only priority. I don't care what the authorities' view of the situation is." Police in the Irish Republic, acting on orders from Justice Minister Jim Mitchell, prevented an intermediary from delivering the ransom Saturday night.

Mr. Dunne, head of his family's \$350-million chain, was seized by masked gunmen in Northern Ireland on Friday. The police believe they were guerrillas linked to the Irish Republican Army or the Irish National Liberation Army. Sources close to the IRA have denied it was behind the kidnapping.

Britain Reports Fewer Unemployed

The Associated Press
LONDON — The number of unemployed persons in Britain has dropped for the first time in 17 months, according to official statistics published Tuesday.

The total of 2,988,644 unemployed persons in October was down 10,145 from September, but the Department of Employment said the underlying trend of adult joblessness remains on the increase.

When Prime Minister Margaret Thatcher announced the unemployment figures in the House of Commons, however, seven demonstrators shouting, "Jobs, not bombs!" had to be thrown out of the chamber.

France Holds Up Export of Pipeline Technology to Russia

(Continued from Page 1)

France also pledged a tighter control of French exports of arms and other technologies — such as inertial guidance gear — that could have military uses even in developing countries.

With this in mind, the government has been secretly debating a plan to reorganize the process of supervising industrial exports.

Championed by the External Relations and Defense ministries, the proposed reorganization, which would give wider review powers to the government, would close many loopholes in the existing system, under which military sales are reviewed by an interministerial group and so-called sensi-

tive technology is checked by the External Relations Ministry.

In essence, the reform would give strong bureaucratic powers to the External Relations Ministry to challenge the full range of French industrial exports. "In the past, the security-conscious parts of the government often have been unaware of sensitive commercial deals until they were so advanced that it was difficult to modify them," an official said.

The reform plan is believed to have the backing of key advisers of Mr. Mitterrand, but several officials said it had not been finally adopted at Cabinet level.

It is being resisted by many French industrialists and by some government departments, including the Foreign Trade Ministry, several officials said. These opponents resent measures that they believe will hinder French high-technology sales to the Soviet Union and to Arab countries.

Debate over the planned changes has been a closely guarded secret because of French commercial and nationalistic sensitivities. The plan was initially prepared under former Prime Minister Valéry Giscard d'Estaing, but former Prime Minister Raymond Barre declined to act on the final draft last year because of the onset of elections.

French Gaullists, who were members of Mr. Giscard d'Estaing's coalition, have strong objections to any laws that would inhibit France's freedom of maneuver

with respect to either superpower.

The Socialists are less sensitive to accusations of "Atlanticism" than the French phrase for close alignment with U.S. positions — and also readier to take a tough line with French business interests.

A potential complication for the government in the pipeline controversy is its timing. It coincides with tough, often bitter negotiations over France's plans to nationalize major firms, which have strained the government's relations with the business community.

In a still unexplained twist, Thomson-CSF wrested the Soviet

contract at the last minute away from a rival French firm, Matra. Both companies are due to be nationalized.

Thomson-CSF, in bidding for the deal, has relied on support from U.S. consultants and subcontractors, according to a French official familiar with the deal. He said, "This makes it especially critical to make sure that no infringement of Cocoom is involved."

Other officials stressed a larger issue at stake. "We're trying to launch a new concept in conjunction with the United States and other allies," one of them said,

adding, "We don't want to start off with a double cross." U.S. officials, sensitive to potential accusations that the Reagan administration wants to use security restrictions to hobble European competition for commercial reasons, said the new U.S. approach does not amount to an attempt to stifle trade.

The Reagan administration sponsored — and France has joined — a study under way in the North Atlantic Treaty Organization to assess the impact of technology transfers during the decade of détente in helping the Soviet Union amass military power.

U.S. Aides Explain Reagan Views on War

(Continued from Page 1)

Glennegles that Washington would seek substantial reductions in weapons when arms-control talks begin in Geneva next month, American officials said.

The United States, they said, will try to cut medium-range nuclear missiles in Europe and move on to strategic weapons.

"We believe a stable balance can be achieved at sharply lower levels on both sides," Mr. Weinberger said. "We also believe that the agreement must be absolutely verifiable."

The U.S. officials said reports heard by the NATO ministers Tuesday indicated that implementing deployment of the Cruise and Pershing missiles was on schedule. However, neither the Netherlands nor Belgium has made a firm decision to go ahead with deployment.

Brezhnev Remarks
MOSCOW (AP) — President Brezhnev rejected President Reagan's claim that the Russians believed they could win a nuclear war and suggested Tuesday that the American leader make a public statement declaring nuclear attack a "criminal" idea.

Reacting to Mr. Reagan's statement Friday that Soviet leaders considered victory in a nuclear

warfare possible, Mr. Brezhnev said: "Only he who has decided to commit suicide can start a nuclear war in the hope of emerging a victor from it."

President Brezhnev spoke in an interview with Pravda that also was distributed by Tass.

Mr. Brezhnev said: "No matter what method of unleashing nuclear war he chooses, he will not attain his aims. Retribution will ensure

indefucably. It would be good if the president of the United States, too, would make a clear and unambiguous statement rejecting the very idea of nuclear attack as a criminal one."

He reiterated a statement, made at the 26th Communist Party congress in February, that "it is dangerous madness to try to defeat each other in the arms race and to count on victory in nuclear war."

Text of Reagan's Remarks

(Continued from Page 1)

and they can sit right there and that's got all of Europe, and including England, on target. And the only comparable thing that has come along is now our proposal, and this is what's at argument there, is to provide, put on European soil the Pershing and the Cruise missiles so that, again, you've got this same kind of a stalemate, although, even so, ours do not have the range to really reach the depths of Russia.

Russia's too far expanded and the rest of Europe's too concentrated. So they can destroy where we can't. And the SS-20s were not even considered a strategic weapon, because they didn't cross an ocean. And in that SALT treaty there was no restriction on that, where they called our old B-52s strategic bombers, they didn't call their Backfires bombers and we agreed to that, in that treaty.

But these are the weapons, these, now what I call strategic, these theater weapons, that are in the theater of war, potential war, but would be used strategically, that we want the weapons, and that's what we're going to start talking about on Nov. 20.

Such a bomb would be the actual tactical weapon, the thing that's fired out of one of the guns, a shell that would be fired. And there we would, at the time, would be on the other side of the fence because the conventional supremacy of the Soviet Union is so great at this point that I wouldn't be surprised if they would throw this at us in negotiations, that if they should say, well, let's do away with the tactical weapons, too, then what's to stop them?

They outnumber us in every conventional weapon, thousands of tanks, more than the NATO defense has. At the moment, the only stalemate to them is the tactical nuclear weapon that would be aimed at those tanks, if they ever started to roll forward.

Asked if he thought there could be a battlefield exchange of nuclear weapons without an exchange of strategic nuclear weapons, Mr. Reagan said:

Well, I would — if they realized that we — again, if — if we led them back to that stalemate only because that our retaliatory power, our seconds, or our strike at them after their first strike, would be so destructive that they couldn't afford it, that would hold them off.

Spain Derailments Kill 4
MADRID — At least four persons were killed and 20 injured Tuesday when rock slides derailed two passenger trains, one southwest of Barcelona and the other on the line from Salamanca to Astorga.

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U.S. to Finance Repair Of Egypt Electric Plant

WASHINGTON — The U.S. government said Tuesday that it would finance the replacement of cracked turbines at Egypt's Soviet-built Aswan high dam hydro-electric plant. The late President Anwar Sadat last month expelled about 1,000 Soviet experts from the plant.

Peter M. McPherson, administrator of the Agency for International Development, said that the contract, likely to be worth more than \$25 million, would probably go to the Allis-Chalmers Co. of Milwaukee.

French Gaullists, who were members of Mr. Giscard d'Estaing's coalition, have strong objections to any laws that would inhibit France's freedom of maneuver

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Due to new dispositions, part of the antiques of the Palazzo Durazzo collection of Counts Durazzo-Fedrigotti-Cornelia, Molinard-Bazon, will be sold, from baroque to biedermeier, e.g. paintings, furniture, gobelins, varia porcelain etc.

Sale will take place only between October 23 and 25 in the Landhaus, Odenbacher Weg 22, 6290 Weilburg/Lahn, W. Germany.

For information call W. Germany (0) 611-313588

Mubarak Thinks 'Limited' Group of 'Fanatics' Assassinated Sadat

By William E. Farrell
New York Times Service
CAIRO — President Hosni Mubarak says that a "limited net" of "fanatic" plotters were involved in the assassination of Sadat two weeks ago and that the recent wave of arrests he ordered was rooting them out.

Mr. Mubarak said that Lt. Khalid Ahmed Shukri el-Islambouly, the alleged leader of the assassins who killed Sadat while he watched a military parade, was linked with Maj. Aboud Zoumr, a Moslem fundamentalist who belonged to a sect called Takfir wa-Hijra (Repentant and Holy Flight). Maj. Zoumr, along with a cousin, Tarek Zoumr, was captured last week during a shoot-out near the pyramids.

Asked in an interview Monday at the Pubba Palace what the link was, Mr. Mubarak said the assassins were part of "a net, but it is limited." The interview was given jointly to The New York Times and The Wall Street Journal.

Mr. Mubarak was relaxed and friendly as he answered a wide range of questions touching on the assassination, on relations with the United States and Israel, on the possible resumption of ties with Arab countries that have severed relations with Egypt and on an overture to him by the Soviet Union to ease the strain between the two nations.

The president said Israel and the United States should help "firmly" in the search for peace, but he avoided answering when asked whether the United States was pushing a military relationship with his country at the expense of political considerations. Mr. Mubarak also said he would not speak against another Arab country and would give Arab nations a chance to reassess their relationship with Egypt.

At the beginning of the interview, Mr. Mubarak was asked if there was a conspiracy surrounding the killing of Sadat.

"The investigation didn't finish yet," he replied, "but I could give you a very brief idea. Some extremists here, some fanatics, maybe Moslem fanatics — these people are just trying to imitate something like what happened in Iran."

"They planned to assassinate the president, maybe the whole leadership, at the celebration on the sixth of October," he said, "then to declare something like the so-called Islamic revolution."

Referring to a government announcement issued here Sunday night that said 230 members of a "terrorist religious group," presumably Takfir wa-Hijra, had been arrested, Mr. Mubarak said:

"We arrested all these people, nearly all in the net."

He said that Lt. el-Islambouly "was one of the extremists whom we found related to the Takfir wa-Hijra."

Asked how many arrests had been made overall, the president said "until the investigation is finished I can't tell you exactly. But it is all internal. It is not supported by any foreign, as far as I know until now, any foreign countries."

He said the arrests had resulted in part from interrogations of four suspects seized at the parade grounds. He said that he and Sadat were aware of plotters "before the trip of President Sadat to Mansoura." On Sept. 26, Sadat, against the advice of security officials, waded through throngs and dedicated a fertilizer plant in the industrial town of Mansoura.

Asked about reports that Maj. Zoumr was in military intelligence, Mr. Mubarak said, "He was not in military intelligence, but intelligence was supervising him — it's part of reconnaissance."

Mr. Mubarak said "not at all," when asked whether Sadat had overreacted in September when he arrested more than 1,500 religious extremists and political opponents.

"If he didn't do it, it would have been much more serious the day of the assassination," he said, adding, "Some of those arrested on the fifth of September were partners in this act."

Mr. Mubarak said he spoke with Sadat "more than one year ago about the increase of the extremists" but Sadat felt the time was not ripe to act. He said Sadat decided in July to crack down because a security report showed "we reached the point of no return — now there should be an action."

The president, when asked whether Sadat may have not moved quickly enough, replied: "I think he moved just at the right time."

Then, his voice shifting dramatically, he said: "It was a little bit late from my point of view, it was a little bit late."

Mr. Mubarak reaffirmed his intention to take a tough line toward religious extremists but indicated that he was less concerned than Sadat about nonreligious political opponents. Asked about the politicians jailed by Sadat in September, he said: "No, I do not intend to keep these politicians. Until the investigations of the politicians come to an end, those who are not accused will be released."

Asked about the possibility of Egypt repairing its relations with moderate Arab countries, such as Saudi Arabia, which were ruptured because of the peace treaty with Israel, Mr. Mubarak said: "We are not going to say anything against any Arab country. I am going to tell the press today not to attack any of our Arab friends here, even Libya. We will give them an opportunity to reassess the situation and we shall see."

Since the assassination, Mr. Mubarak has emphasized continuity in the government and repeatedly said he would carry out Sadat's policies.

Principles 'Clear'

He was asked at what point he felt he could strike out on his own path. "The policy of President Sadat is going on. The principles are very clear," he said.

"But there may be some difference in the method, depending upon the situation that may arise," he added. "I can't stand still."

Before assuming power, Mr. Mubarak had served since 1975 as Egypt's vice president, having been picked for the job by Sadat. The post is currently vacant and Mr. Mubarak said "not now" when asked if he planned to fill the vacancy in the near future. "Of course I need a vice president," he said. "I have to be very careful in selecting a vice president."

Mr. Mubarak, a former commander of Egypt's air force, received military training in the Soviet Union years ago. Asked about the chances of repairing the strained relations between Cairo and Moscow, Mr. Mubarak noted that the Soviet leader, Leonid I. Brezhnev, had sent him a telegram of congratulations when he was inaugurated.

The Soviet leader said, according to Mr. Mubarak, "that if I ask for good relations we'll start negotiations — he is ready." Later in the interview he said: "Don't have the impression that I am going to start any negotiations with the Soviets now."

AWACS Vote: Reagan Seen Turning Tide Opposition in Senate Reported to Weaken

WASHINGTON — With the vote a week away, President Reagan is turning people around 180 degrees and probably will win next week's Senate showdown over the sale of AWACS radar planes to Saudi Arabia, an opponent of the deal said.

"If I had to wager, I think that he'll probably pick up the necessary vote or two to give him the majority on that issue," Sen. Christopher J. Dodd, Democrat of Connecticut, said in a television interview.

Meanwhile, officials in London disclosed that Britain will sell Saudi Arabia long-range Nimrod planes if Congress refuses to permit the Saudi sale. The Nimrod has early-warning capabilities similar to those of the AWACS.

The British are not trying to undercut the U.S. deal, and would only put the Nimrod up for sale if the U.S. transaction is prevented, the officials said.

Mr. Reagan was getting in a last round of lobbying for the sale Tuesday before leaving Wednesday for Cancun, Mexico, for an economic conference of 22 nations and a likely meeting with Saudi Crown Prince Fahd.

The president picked up one potential vote Monday, but one senator moved from uncommitted to leaning against and another shifted from leaning for the sale to uncommitted.

That left the Senate lineup, according to the latest Associated Press count, at 52-37 against the sale, with 11 senators undecided.

Senate leadership sources said more senators were likely to announce their support Tuesday for the \$8.5-billion arms package, which includes five Airborne Warning and Control System planes and weapons for F-15s.

The Republican leader, Howard H. Baker Jr. of Tennessee, told the Senate on Monday that he planned to schedule the final congressional vote on the sale next Wednesday.

Opponents have expressed confidence that they will hold at least the 51 votes needed to block the deal, which was rejected by the House last week.

But Sen. Dodd said the tide has turned in Mr. Reagan's favor and may sweep some opponents to the administration's side.

"He's picking up almost a vote a day," Sen. Dodd said. "They're turning people around 180 degrees. Once that trend starts, if others think that the president's going to win, they don't want to be on the losing side."

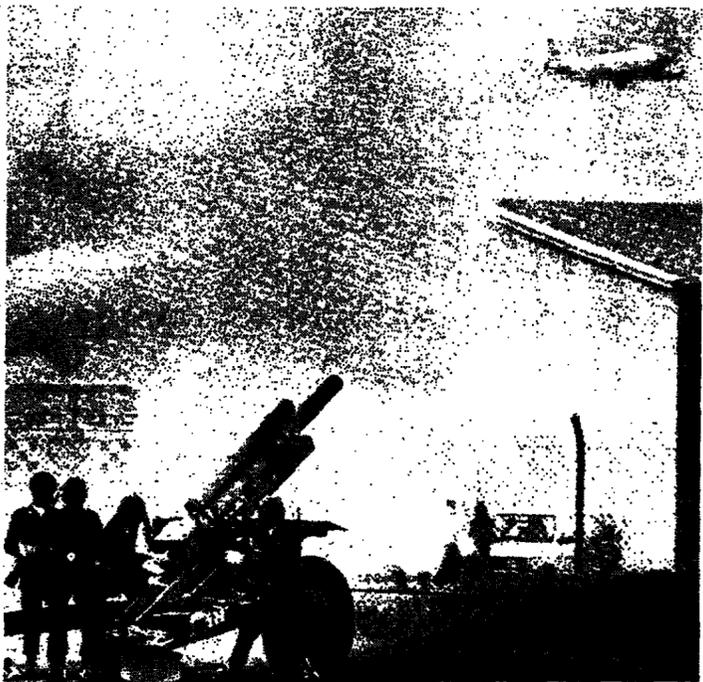
Byrd Has Decided

Sen. David L. Boren, Democrat of Oklahoma, who moved from leaning against the sale to undecided after the assassination of Sadat, said: "It's more likely that I'd be able to vote for the sale."

The Senate Democratic leader, Robert C. Byrd of West Virginia, said Tuesday he has decided how he will vote but will wait a day or two before announcing which way that will be.

Sen. Byrd accused Mr. Reagan of putting Congress in a position where either approval or rejection of the sale will hurt U.S. interests.

"In either case, I think the U.S. interest will be impaired to some degree," he said.



Cannons fired a 21-gun salute as French President Francois Mitterrand's plane arrived in Mexico City. Mr. Mitterrand is in Mexico for the Cancun summit conference Thursday and Friday.

Mitterrand Prepared to Contribute Troops To Aid U.S. With Sinai Peacekeeping Force

(Continued from Page 1)

France is the most reliable European ally of the United States in the East-West confrontation.

For Mr. Mitterrand, who carefully avoided commenting on specific parts of the strategic package, Mr. Reagan's decision will enable the United States to regain a favorable balance in strategic arms against the Soviet Union by 1985 and is a key factor in getting the Soviet Union into serious arms negotiations. He repeated a sentiment he voiced on television Sunday that the United States must move quickly now to get those negotiations started. It was clear he agrees with Washington that negotiations have to be conducted from a position of strength.

Mr. Mitterrand spoke in French and asked that his remarks be paraphrased rather than quoted directly.

He said he does not expect a confrontation with Mr. Reagan at the Cancun conference of industrialized and developing nations this week about their open differences on aid to the Third World. France will back changes and adaptations to existing international institutions, he said, but does not seek the establishment of new world bodies for economic negotiations. He said the meeting would be a success if it opened the way for specific steps to regulate world market prices paid to developing countries exporting raw materials and contributed to a global energy policy.

Cheysson Fears Quarrel

PARIS (WP) — Mr. Cheysson, in an interview in the Paris daily newspaper Le Matin on the eve of his departure for Yorktown, said Mr. Mitterrand has told Mr. Reagan that if U.S. economic policies do not succeed within a year, "we do not see how we can get by or how to avoid a real quarrel."

Although the foreign minister has a reputation for talking more frankly than his president, his interview nonetheless served as a reminder that beneath the Yorktown pleasantries lie sharp differences of opinion between Mr. Mitterrand and Mr. Reagan.

Although Mr. Cheysson repeated French-U.S. agreement on the need to stand fast against Soviet

might in Europe, the discord was striking in his criticism of U.S. Middle East policies. He said Egypt's new president, Hosni Mubarak, needs above all to consolidate his leadership at home and deal with Islamic fundamentalist opponents.

"What do AWACS have to do with this? I wonder. Show friendship for someone trying to figure out how to reorganize his affairs by sending him an elephant, two elephants... He can put them in the garden, but what can he do with them?" Mr. Cheysson said.

"In the case of Sudan, which is actually menaced from within by a fundamentalist danger, what is the elephant going to do?" Mr. Cheysson asked. "It is not he who will answer the incendiary bombs, the campaigns organized in the shadow of mosques as the muzzin chants."

Mr. Cheysson suggested that Mr. Reagan's emphasis on sending the planes to Egypt also was designed in part to convince the Senate to approve their sale to Saudi Arabia, to show "that this elephant is indispensable everywhere."

Hussein Mubawi, the revolutionary prosecutor, said on state radio from Tehran that the authorities would deny a request by the human rights organization that it be permitted to visit Iranian jails until the group condemned treatment of prisoners in Iraq, Israel, Egypt and the United States.

Flooding Them Out

According to Reuters, Hojatoleslam Mubawi said there had been fewer executions than assassinations and added that courts would pass death sentences as long as political killings continued. He said the number of executions had declined with a drop in assassinations and sabotage.

[He said 90 percent of jailed political activists had repented and added that hundreds of prisoners who had denounced their political parties had been released at the weekend. He said the Islamic authorities had set up rehabilitation centers in jails to reform those who had repented and promised that prisoners would be allowed visits from their families at least once a month.]

Sadeq Khalkhali, a former religious judge who in the early stages of the Islamic revolution sent

Blast Near Synagogue Kills Two in Antwerp

ANTWERP, Belgium — A van packed with explosives blew up near a synagogue in Antwerp's diamond district Tuesday, killing two women and injuring 99 other persons, police said.

A man told the Belgian news agency that "Direct Action Group, Section Belgium," was responsible. Without elaborating, he said that the bombing was not racially motivated. Police said they had not heard of the group but were investigating.

Former members of an anarchist group with a similar name in France denied any role in the Antwerp attack and said the claim was "idiotic." The Israeli Embassy blamed the Palestine Liberation Organization, but the PLO denied the charge.

The midmorning blast hurled the van into the air, wrecked a nearby building and shattered windows, police said. The district was cordoned off by ambulances and fire trucks rushed to the scene.

Jewish Holiday

Tuesday was the Jewish holiday of Shemini Atzeret, and services were under way in the synagogue when the van exploded, police said.

Police had said a bomb exploded in a car, but workers in the basement of the Jewish-owned Antwerp Diamond Club, one of the main diamond exchanges later told police the bomb was in a van that had been parked outside. The curtains were drawn and one of the back wheels had been removed and it rested on a jack, they said.

Police said the vehicle was hurled into the air as it exploded in a narrow street near the synagogue and the Diamond Club.

The workers said that people rushed from their offices, many of them bleeding from window-glass cuts. About a dozen persons were lying in the street, bleeding and moaning.

A nearby building was damaged so severely that it threatened to collapse. Some windows of the Antwerp central railway station a

few blocks away were shattered. The narrow street where the explosion occurred was littered with glass, steel and bricks.

Police cleared all buildings in the diamond district and searched for other bombs.

A Diamond Capital

Antwerp ranks with New York, London and Tel Aviv as a leader in diamond cutting and trading. The diamond district is made up of three blocks and six streets in the center of the city. Belgium's second largest.

The diamond district is permanently under police guard, with squad cars parked at both ends of the main thoroughfare, Hoveniersstraat.

The last attack on a European synagogue was in August, when two persons were killed and 20 wounded in Vienna. Police detained three Arabs after the attack, one of whom later said he belonged to a Palestinian group led by hard-liner Abu Nidal.

The Antwerp Jewish community was hit by violence in July, 1980, when two Arabs lobbed grenades into a group of Jewish children about to leave for a holiday camp, killing one and injuring 20.

Waldbheim Condemns Attack

UNITED NATIONS, N.Y. (Reuters) — Secretary-General Kurt Waldheim strongly condemned the attack in Antwerp and deeply regretted the loss of lives and the large number of wounded, a UN spokesman said.

A Taiwanese couple on the craft arranged the Oct. 5 arrival as part of a plan aimed at hoodwinking immigration officials, authorities said. Most of the people flew from Taiwan to a departure point on the coast of Thailand and six came from Bangkok and Hong Kong, said Ian M. MacPhee, the minister for immigration and ethnic affairs.

Moon Will Honor U.S. Court Date

SEOUL — The Rev. Sun Myung Moon, founder of the Unification Church, will return to the United States to wage a legal battle against tax-avoidance charges, a church spokesman said Tuesday.

The decision was disclosed a few hours after Mr. Moon said through a spokesman that he did not plan to honor a court date in New York on Thursday to face "biased and unfounded" charges of failing to report personal income of \$162,000.

A church representative said that Mr. Moon went back to South Korea last Friday to attend an international scientific conference sponsored by the church next month.

Australia to Expel 146 As Refugee Hoax Fails

UNITED PRESS INTERNATIONAL
CANTON — Australia will deport 146 persons who landed on the north coast in a fishing boat attempting to pass themselves off as Vietnamese refugees, authorities said Tuesday.

A Taiwanese couple on the craft arranged the Oct. 5 arrival as part of a plan aimed at hoodwinking immigration officials, authorities said. Most of the people flew from Taiwan to a departure point on the coast of Thailand and six came from Bangkok and Hong Kong, said Ian M. MacPhee, the minister for immigration and ethnic affairs.

Bani-Sadr Urges Army to Refuse to Kill Foes

PARIS — Former President Abolhassan Bani-Sadr called on Iran's military forces and the Revolutionary Guards on Tuesday to disobey orders to execute dissidents and urged all Iranians to rise against "the enemies of Islam and Iran who are governing the country with a reign of crime and terror."

Mr. Bani-Sadr, who fled to exile in France in July, has urged uprisings before, but this was his first specific appeal to the military. He was commander in chief of the armed forces before he was removed in June.

In a statement from his headquarters in suburban Paris, Mr. Bani-Sadr said: "I call on members of the armed forces and especially the Revolutionary Guards, in whose name the crimes are committed, to realize that a regime that executes 50 to 200 people a day is not capable of governing the country; may they no longer put the existence of their country in danger by obeying this regime."

According to official government reports from Tehran, 1,405 dissidents have been executed by the clergy-led regime of Ayatollah Ruhollah Khomeini since June.

Call for Protest

"I call on clergymen, intellectuals and political personsages to protest and break the silence," Mr. Bani-Sadr said. He called on Iran's "youth, workers, peasants, businessmen and functionaries" to rebel.

[Criticizing a recent Amnesty International report, Hojatoleslam

hundreds of people in front of firing squads, said Tuesday the government was trying to flush out Mr. Bani-Sadr and Massoud Rajavi, leader of the most active guerrilla faction in Iran, "to give them what they deserve." Both men are living in exile in Paris.

Sheikh Khatkhal, now a member of the Iranian parliament, the Majlis, said he thought former Premier Mehdi Bazargan was not "worthy to be in the parliament because he is a liberal." But he added, "No one is listening to me."

Mr. Bazargan, Ayatollah Khomeini's first premier after the 1979 revolution, drew the ire of fundamentalists when he said in parliament on Oct. 7 that the government should stop executing dissidents.

The execution Monday of 25 persons, including Mr. Bani-Sadr's top legal adviser, brought to 1,405 the number of people officially reported to have been executed since Mr. Bani-Sadr was driven from power. But Amnesty International says the total is as high as 1,800, and other reports have put the number as high as 3,000.

2 N.Y. Officials Oppose Libyan UN Mission Skyscraper

Los Angeles Times Service
NEW YORK — Plans by the Libyan government to build a 25-story United Nations mission in the heart of Manhattan have run into opposition from Sen. Daniel P. Moynihan of New York and from Manhattan Borough President Andrew Stein.

The officials, both Democrats, said they feared the building would be used as a center for clandestine activities.

Work has already begun on the foundation for the

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Cancún: Just Talking?

The Cancún conference on world poverty and wealth threatens to be another depressing case of politicians talking past each other. Most of the gathered presidents and prime ministers will speak in terms of their respective national experiences, and will be much exasperated when half the audience misunderstands them. President Reagan illustrated the possibilities last week when he adjured the poor countries to put their trust in free markets.

After all, look at the American example. "Few countries are less developed than we were when the original settlers arrived here," he observed. "They faced a wilderness where poverty was their daily lot and danger and starvation their close companions."

But those settlers also faced the planet's greatest reserve of first-class agricultural land, with a mild climate and phenomenally reliable rainfall. Americans rarely reflect that North America is the only continent whose people have not been repeatedly subjected to famine, and whose cities have never known bread riots. Free markets had a lot to do with the increase in American prosperity. But it is at least equally true that the stable and rapid increase of prosperity had a lot to do with the development of American freedoms.

In the Third World, where many countries have only two or three significant exports, the free market means the roller coaster of international commodity prices. Life is good when tin, or copper, or coffee is high — and then the economy goes into paralysis when it

falls. That is why Third World governments keep bringing up ideas for worldwide price stabilization schemes. The industrial countries reply that those schemes can't possibly work. That is correct, unfortunately, but it leaves people in the poor countries to the south with an impression that the principles of economic freedom serve them less well than their richer neighbors to the north.

Mr. Reagan doesn't hold out much hope for the increases in economic aid that the poor countries will seek at Cancún. But he offers one important promise: to keep markets open to the products of the developing countries. That, as he said last week, is "absolutely essential" — but it won't be an easy promise to keep. As those countries industrialize, their products increasingly compete with American industries. Their steel, automobile parts, electrical goods and textiles all touch sensitivities in the United States.

Perhaps the best that can come out of Cancún is a tacit agreement to tune down the ideological rhetoric on all sides and start a conversation about the modest but practical steps that hard-pressed governments, both in the rich North and the poor South, think they can actually achieve. Exhortation on economic theory will not be useful. Trade expansion may not be very exciting, but it has the merit of being possible. In a year when they don't really expect to do much more, governments — starting with Mr. Reagan's — have a special obligation to do that much.

THE WASHINGTON POST.

Giant Atom Is Depressed

By Daniel S. Greenberg

WASHINGTON — President Reagan is relying on the magic wand of deregulation to revive the moribund nuclear power industry. The shortcoming of this remedy is that environmental and safety red tape is the least of the ailments afflicting nuclear power. Even if it's all slashed away — which it won't be — America's electric utilities won't be racing to place new orders for power reactors.

The basic reason is that energy thrift, abetted by the economic slump, has so taken hold in the United States that little if any growth is required to keep up with nuclear power needs. Excess reserve capacity in 1979 averaged about 33 percent, a safe margin above the 20 percent that the industry deems prudent.

As energy conservation becomes a way of life, some forecasters — including the cautious National Academy of Sciences — speculate that in 30 years America might be consuming less than the 78 quads (quadrillion BTUs) that Americans burned in 1979. Several of the generally accepted high estimates for the end of the century are in the neighborhood of 100 quads, which means a small pace in annual growth of generating capacity.

Against this background of restrained consumption, it is becoming clear that when the costs of nuclear power production are properly counted — rather than fudged by nuclear enthusiasts — the atom is no bargain in the energy marketplace.

The still-unresolved problem of waste disposal renders the "true" costs unaccountable, though obviously high. But the longer we live with the atom, the more surprises we encounter in tallying its economics. Now looming on the horizon is



President Reagan Removing the Regulatory Thorn from the Poor Beast's Paw.

the monumental cost of decommissioning — that is, safely sealing up power plants that have run through their life span and are economically obsolete. The cost is estimated at \$50 million to \$100 million each for the 50 or so plants that will reach retirement age in the next 20 years.

By some estimates, nuclear power — once touted as a source of electricity that would be too cheap to meter — is at least as costly as coal-fired generation, and by the end of this decade may be considerably more costly. No wonder, then, that even before the Three Mile Island accident, electric utilities were backing away so rapidly from nuclear power that new orders for reactors became a rarity, and

cancelations of pending construction contracts became commonplace.

At the height of the several energy crises of the last decade, nuclear power derived political support and some popular sympathy from the appeal of energy independence. After all, unlike vulnerable oil, it was an all-American product. But this was before the United States became reconciled to exploiting its super-abundant coal supply. Now that coal consumption is on the upswing, and coal is dislodging oil as the nation's basic fuel for generating electricity, it is difficult to boost nuclear power as an oil saver. What it saves is coal, which America possesses in seemingly inexhaustible quantities.

With existing nuclear plants, plus those nearing completion, expected to supply about 7 to 8 percent of the nation's total energy by 1985, the atom is plainly entrenched as a significant contributor to the U.S. energy mix. But given its sagging economics, it is not likely to go beyond that range. The president's energy message attributes the poor market to a "morass of regulations," the implication being that government paperwork accounts for cancellations and empty order books. The more realistic explanation is that nuclear power was oversold, and then overtaken by energy economics.

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Athens and Washington

It may well be that local factors, notably a yearning for change, explain the election victory in Greece of a Socialist regime with a marked neutralist tinge. But there is more to it than that.

Roughly half of Greece's voters chose a party advocating the closing of American bases and withdrawal from the military wing of NATO. That program evidently was no liability to Premier-elect Andreas Papandrou. And defending military alignment with the West did not save Premier George Rallis, whose New Democracy Party has ruled since Athens rid itself of the "colonels" in 1974.

So when due allowance is made for local factors, the Greek vote carries a wider message for Americans. This news follows the British Labor Party's embrace of neutralism and a surge in anti-nuclear sentiment among West Germany's Social Democrats. Newly Socialist France has moved closer to Washington's view of East-West fundamentals, but France remains the odd country out in NATO, clinging to its nuclear deterrent.

This fraying of the Atlantic consensus is not in the first instance Washington's fault, nor is it conceptually sound. All West Europeans now take for granted a peace guaranteed by a balance of terror; the unilateralists among them want to be spared the risks of harboring regional nuclear weapons while they sit under the American umbrella. Protests are shouted against NATO; the Soviet missiles aimed at Western Europe are mildly censured or condoned.

It's 'Andreas' No Longer

For years, "Andreas" has been a code word, sometimes even a curse word, in the State Department and assorted chanceries of the West. The familiar reference is to Andreas Papandrou, perennial challenger of the conservative, pro-American Greek establishment. Whether by his Marxist ideology or the influence of leftists in his Socialist movement, it is said, "Andreas" is committed to breaking the ties — the American alliance, NATO, the Common Market — that bind Greece to the West.

But it's "Andreas" no more. "Mr. Papandrou" is to be the new premier of Greece. His party, which had doubled its vote in 1977, doubled it again on Sunday, burying the incumbents. It is a sharp break with a long tradition, and the element of personal vindication cannot be denied. Some part of his triumph, moreover, surely arises from his

playing on the distaste felt by many Greeks at the thought of being manipulated over the years by that familiar *den ex machina* of Greek politics, the "American Embassy." Americans accustomed to taking Greece for granted have reason for concern.

But whether they have reason for alarm or panic, or whether they would do the Western cause any good by showing these feelings, is another matter. True, Mr. Papandrou has made part of a career out of criticizing what he, and not only he, sees as an overbearing American presence in Greece and an attitude of insensitivity toward Turkey's invasion of Cyprus and the colonels' dictatorship (1967-1974). But his warnings about going it alone are qualified in fact, if not in word. To count him out of the West could divert him from vital domestic concerns.

THE WASHINGTON POST.

Other Opinion

On a Misreading of Reagan

Is Mr. Reagan, yes or no, an advocate of "limited nuclear war" in Europe? The remarks made by the American president to press executives Friday and published Monday, and above all the polemic that has ensued, particularly in Germany, could indicate that he is.

In fact, the polemic was sparked less by the content of Mr. Reagan's words than by the heading that an agency dispatch gave to them, and by the interpretation thus suggested. Indeed, Mr. Reagan begins by expressing a truth that no specialist will contest, that is,

that limited nuclear war, in Europe or elsewhere, will not necessarily lead to recourse by one of the two superpowers to its central strategic arsenal. However, there is nothing to warrant concluding from this that Washington officially regards such a conflict as an acceptable option.

Quite the contrary: The American president immediately reasserts, as regards the United States, the policy of deterrence by the threat of response at a higher level, which is the only conceivable policy not only for just limiting but indeed for preventing such a conflict in Europe.

—From *Le Monde* (Paris).

In the International Edition

Seventy-Five Years Ago October 21, 1906

MIAMI — Elliott Key, 25 miles south of this city, was engulfed by a tidal wave yesterday and the entire population of 250 perished. This news was brought by Captain Bravo, of the steamer *St. Lucie*, of the Florida East Coast Line. His boat was struck by the wave and 25 of his men were drowned. Fifty persons were drowned on board who had fled to the barge for safety. It was picked up on the Bahama Islands. Captain Bravo says: "The waves were mountain high and the wind at least 80 mph. Elliott Key was covered with water. Not a sign of land appeared anywhere."

Fifty Years Ago October 21, 1931

PARIS — A letter to the editor published in today's *Herald* reads: "By a weird coincidence, the lights in half the city of Paris went out last evening — the evening after Edison's passing away. A trivial coincidence, and maybe it is not one of mighty significance. Few were there, perhaps, who stopped in the darkness to think of the man who had just died. But the blind forces of nature that he had shaped into usefulness refused to work for over three hours. Were they mourning for him? Were they inviting us to offer a kind thought or a silent prayer for the soul that had just left the living?" — S. Parks.

Counting On Concepts

By Jonathan Power

LONDON — Jorge Castañeda, Mexico's secretary for foreign affairs, observes that the United States is in one of its worst periods of ultra-conservatism. At best the Mexicans hope the Cancún summit will produce some "common concepts" that would allow for further developments later.

What might these be? First, Mr. Castañeda says, an acceptance of private investment as an important tool of development, but one that on its own is not enough. Second, an acceptance that developing countries need financial assistance, although without agreeing on amounts and terms. Third, an acceptance of agriculture and industry as priorities. And fourth, a serious effort to keep trade barriers down and to devise better mechanisms for the support of raw material prices.

The summit has grown out of the 1980 report by the Brandt Commission — "North-South: A Program for Survival" — but there is little chance, says Mr. Castañeda, that the meeting will discuss a central proposal of a major debt cut between the West and the oil producers to revive the world economy.

Cancún then is going to end in a whisper — unless the Third World bloc succeeds in extracting a promise for what it calls a "global round." And this would be worse than the whisper.

Signs are that some in the Reagan administration and some West Europeans, the French in particular, are pushing for agreement on the principle of a "global round" as a way of averting a painful clash with the South.

Brandt Report

The "global negotiation" concept has been tried before without success. It is time-consuming, endlessly so, and at the end of the day — or three years away — it would likely have achieved little.

Recall the speech that Henry Kissinger, then the U.S. secretary of state, made at the seventh special United Nations session in 1975, after two years of refusal to discuss the "new economic order" that Third World leaders had proposed at their summit in Algiers in 1973. Kissinger declared that the United States was willing "to turn away from confrontation."

Just as the Brandt report has led to Cancún, Kissinger's speech led to a 46-nation meeting in Paris dreamed up by Algerian President Houari Boumedienne and French President Valéry Giscard d'Estaing. The meeting became hopelessly bogged down in discussing the Third World's long shopping list of proposals.

When President Carter's team took over from the Republicans, the discussions seemed to become even denser and more intractable. Carter had proposed a "global common fund" to support raw material prices. Years of negotiating produced a scheme that is still not off the ground. It was too complicated and often too remote from real life to be of much use. Yet the developing countries pushed this as their number-one cause for the best part of seven years.

The Third World appears not to have learned its lesson. When confronted with the chance of the Cancún summit, instead of using the Brandt report as a basis for building a new kind of dialogue that would cut loose from the interminable proposals of the "new economic order," it has merely recharged its old batteries and relabeled them the "global round."

It is too late for the Brandt proposals to find their way onto the leaders' desks in time for Cancún. The way can at least be kept clear for another attempt, on another occasion, to look carefully at this unusually significant report, whose full message has still not been properly studied or evaluated.

The Mexicans' idea of an agreement on "common concepts" may not add up to very much, but at least it can preserve the world from chasing another false hare.

©1981, International Herald Tribune.

Skepticism Before Cancún

A Million More People Every Five Days

By Philip Geyelin

PARIS — A population expert at the Overseas Development Council in Washington has done some quick pencil work on the Cancún summit. The calculation is that most participants will devote about five days to the affair, including travel, stopovers and the two days of formal meetings. In those five days, the population of the planet will increase by 1 million people — 700,000 deaths and 1,700,000 births.

That same net increase will be repeated every succeeding five days, relentlessly. For how long? Nobody knows. But long enough, it is generally agreed, to confound almost beyond measure even the most constructive outcome of the international meeting and cooperation and development at the Mexican seaside resort of Cancún.

You have to stare long and hard at the past population record and the future projections even to begin to comprehend the challenge confronting the 22 presidents and prime ministers in Cancún.

In the first quarter of this century, world population increased by 360 million; in the second, the increase nearly doubled; in the third it was up another 1.5 billion. The increase for the last quarter-century is expected to be 2.2 billion.

By the first quarter of the 21st century, the increase may be down a bit, to around 2.1 billion, and at some point later in the century, worldwide population may even level off to zero growth. Assorted studies differ widely on when, or at what level. But never mind. The total, even when the population of the world stops growing, will be at least double and quite possibly triple the estimated 4.5 billion people on Earth today.

Measured in Spirit

With that many people already competing for the world's wealth and resources, with some 3.4 billion of them in the poorer developing nations, and 900 million classified by the World Bank in the category of "absolute poverty" (to use, barely existing, and with all that, there would be urgency enough for Cancún's unique assemblage of big and little, rich and poor, medium-sized and middle-income nations).

The agenda is loose and technical: food and hunger, trade, energy and international finance are the general topics. The "developing" countries are rich only in numbers (around 120) and centered mostly in Africa, Asia, Latin America — the so-called South.

They seek some grand and global negotiation on all the world's inequities and imbalances in a way that would give weight to their numerical majority.

With some exceptions (France, most notably), the well-to-do minority of the so-called North, with the Reagan administration loudly in the lead, would

rather work through existing institutions — such as the World Bank, the International Monetary Fund or the General Agreement on Tariffs and Trade — where, by and large, money talks.

Nobody heading into the meeting can say confidently how the issue can be resolved. There will be no final communiqué. Cancún's accomplishments will be measured in spirit — in the degree, as a veteran development expert puts it, to which "there is general acceptance of the inevitability of the inevitable consequences for the rich — the loss of increasingly valuable markets — if the poor get poorer. But the test will remain in the force, as well as the nature, of the follow-up." This could be a last echo or a new beginning," says one of the conference planners.

Hopes for later rest in large part on the forces that created Cancún.

The Gravest Issue

Powerful impetus has come from the industrialized nations in seven-nation summits in Venice and Ottawa, and from the "developing" countries through initiatives in the United Nations. But not the least important impetus should be the spectacle of staggering, almost uncontrollable population growth.

It is not an easy issue for the world's politicians to address. Other than education in family planning, many experts see no clear "population solution." As an ODC briefing paper on Cancún observed, "No participant will call for a rise in death rates to assure food security and alleviate hunger." Still less will anybody be lobbying for abortion or birth control.

Yet few would dispute an ODC brief's argument that "a poor, hungry people have nothing to lose by embracing strange causes."

A recent Library of Congress study documents the point that population is exploding most dramatically in the wrong places: in the poorest countries, in the cities, "in nearly all those developing countries where the United States and its allies have vital security interests." The list includes oil producers (Mexico, Venezuela, Indonesia), guardians of "choke point" seaways (Egypt and Panama), and African producers of cobalt, manganese and chromium.

Robert McNamara, then the World Bank's president, warned in 1979 that "short of nuclear war itself, population growth is the gravest issue that the world faces over the decades immediately ahead." The extent to which the Cancún summiters give weight to this issue will say a lot about the consequences of that glittering gathering.

©1981, The Washington Post.

Forebodings of 'Supply-Side Imperialism'

By Hobart Rowen

WASHINGTON — If President Reagan really tried the fruits of investment at Cancún the abandonment of textile quotas that inhibit Third World progress. But since that would throw American companies into a tizzy and create a panic in Europe, it won't happen.

Reagan talks of a kind of extension of supply-side economics to the world at large. In keeping with his rose-colored view of the world, he has faith that if underdeveloped nations drop their hostility to foreign investment and investors, and allow sufficient incentives for capital to come in, the private enterprise system can solve most of their problems.

A Democratic Senate staffer calls this a "new supply-side imperialism." She notes that in some of the poorest of the poor nations, there are no private sectors.

Robert McNamara and his successor as president of the World

Bank, A.W. Clansen, acknowledge the potential for private businesses for the poor nations' exports; high prices for some of their commodities; a greater flow of grant and aid money; and a reshaping of the IMF that would give the poor nations not only more voting power, but more of the IMF's "paper gold" — the Special Drawing Rights, a credit issued by the IMF to members that is exchangeable for hard currency.

Moderate Third World spokesmen like Cesar Virata, premier and finance minister of the Philippines, are discouraged. Virata had been looking forward to progress at Cancún, not a repeat of the fruitless confrontations at the United Nations in New York.

The rich nations, Virata says bitterly, can in effect print their own money. But the poor nations need that "paper gold" to help pay off their debts for high-priced oil. As a minimum, the poor nations at Cancún will look for more aid, especially in developing more of their own energy, and to break down the trade barriers set up by the rich. But the prospects, Virata and his colleagues know, are far from bright.

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Letter

On President Marcos

Re Stanley Karnow on President Marcos (IFT, Sept. 25): The truth is that if President Marcos may be faulted, it is not for a mailed-fist policy but for the lack of teeth applied to his authoritarianism when martial law was imposed. It was an American journalist who coined the phrase "Mandla's Smiling Martial Law."

To a fault, Mr. Marcos has refused to use strong-arm methods. For a small nation, we have Herculean problems in fulfilling the rising expectations of 48 million Filipinos in the face of double-digit inflation brought by spiraling oil costs. President Marcos looks to the judgment of history.

JOSE A. ZAIDE JR.
Bonn.

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1980

Reagan Aide Fired After Saying Russia Has Nuclear Superiority

WASHINGTON — A military aide to President Reagan, who declared the Soviet Union had achieved full nuclear superiority over the United States, has lost his National Security Council post, a White House aide said Tuesday.

Army Maj. Gen. Robert L. Schweitzer, 53, has been transferred to a job at the Pentagon because he failed to clear a harshly worded anti-Soviet speech with his superiors, the aide said. He was dismissed by Mr. Reagan's national security adviser, Richard V. Allen.

Gen. Schweitzer, in remarks to several hundred Army officers on Monday, said the Soviet Union is "on the move, they are going to strike." He spoke of "a drift toward war" and said the United States was "in the greatest danger since its founding days."

He also said that Moscow now has nuclear superiority over the United States in all three legs of the strategic "triad" — land-based and submarine-based missiles and long-range bombers.

Gen. Schweitzer, at the White House since January, had been director of the office of defense policy of the National Security Council. He was speaking before several

hundred officers and others attending the annual meeting of the Association of the United States Army.

Earlier Tuesday, David Gergen, the White House communications director, told reporters that Gen. Schweitzer's comments reflected "a view which is to some degree at variance with the president, but we believe he was entitled to express it."

"It's fair to say it is more pessimistic in tone and substance than the president's own view is," Mr. Gergen said.

During a picture-taking session in the Oval Office, Mr. Reagan was asked if he agreed with Gen. Schweitzer's assessment of a "drift toward war."

"No, I think this country could have been on a road that could be described that way when we were unilaterally disarming and had a widening window of vulnerability and narrowing margin of safety," Mr. Reagan said.

"So you think we've reversed that?" a reporter asked. "Yes," said the president.

Gen. Schweitzer was removed because he had violated a regulation that speeches by members of the National Security Council be given prior clearance, the aide said, adding, "He clearly violated the rules."

The two-star general also said that evidence continues to mount that the Russians have in mind an invasion of Poland, that Moscow continues to practice military maneuvers aimed at taking over the Gulf oil fields and that church leaders in the United States have not been helpful in combating the Soviet presence in Latin America.

Gen. Schweitzer said the Soviet threat "is believed not to exist. That's the feeling in Europe. They think it's automatic, another 30 years of peace. That's wrong. The Soviets are on the move. They are going to strike. They've got every incentive and the capability."

In regards to Poland, he said that "a possible, certainly threatened Soviet invasion" is the leading challenge to the Western alliance. While analysts may debate the timing or strength, he said, "the evidence continues to mount that the Soviet Union very much has this in mind."

Commenting on European pacifist movements, the general said: "The seed of pacifism and neutralism is sweeping over Europe and we're not immune to it in this country, where bishops and churchmen have been extremely unhelpful in trying to deal with the realities of the [Communist] threat down in Latin America."

Falling Stones Leave Hole In Leg of the Great Sphinx

The Associated Press

CAIRO — About 120 stones have dropped from the left rear leg of the Great Sphinx, leaving a hole 6 feet wide by 9 feet high, the daily Al-Ahram reported Tuesday.

Egyptologists fear that the head of the 5,000-year-old stone figure may be the next to fall unless scientists can arrest the eroding process caused by a rising water table, the newspaper said.

The paper said the stones that dropped out were from repairs made during the Greco-Roman era about 2,000 years ago.

Erosion has been attributed to sandstorms, wind, rain and pollution, but one of the most popular theories is that water is seeping up through the bottom of the statues, bringing corrosive salts with it.

Studies have been made for several years to determine the cause of the problem, and a number of cures have been proposed or tried, including forcing glue into the stone to reinforce the neck.

Other proposals have been to put a glass bubble over the statue or to rebury it in hot desert sands as it had lain for centuries until the French unearthed the body in 1926.

U.S. Fruit Delayed in Japanese Ports

New York Times Service

TOKYO — The first shipments of California citrus to Japan since mid-August are being held up at two Japanese ports because of worries by harbor workers and the Japanese government that the oranges and lemons may be contaminated with excessive amounts of a potentially cancer-causing toxin.

In September, the governments of Japan and the United States agreed on using the chemical ethylene dibromide to fumigate California produce headed for Japan

as protection against the Mediterranean fruit fly.

The agreement ended a dispute that had stopped California citrus exports to Japan. But longshoremen in Long Beach, Calif., refused to handle the produce, citing reports that experiments by the Environmental Protection Agency had shown that the chemical could cause cancer.

The longshoremen eventually agreed to load the fruit but under strict conditions, such as handling only sealed containers.

White House Discounts Reports Of Friction Caused by Nixon Trip

By Hedrick Smith

New York Times Service

WASHINGTON — The Reagan administration, trying to smooth over potential political complications arising from the visit to four Arab nations last week by Richard M. Nixon, has sought to squelch reports that the trip caused internal frictions in the administration and to minimize the government's involvement in the trip.

White House and State Department spokesmen acknowledged that Mr. Nixon informed President Reagan and other high officials in advance of his tour, that he received briefing materials from the State Department and help in arranging the visit from Gen. Vernon D. Walters, ambassador-at-large.

But the administration spokesmen insisted that the former president's visit to Saudi Arabia, Jordan, Morocco and Tunisia, after he attended the funeral of Sadat in Egypt on Oct. 10, had been a private trip. They said he was carrying no messages from the Reagan administration and was not undertaking any mission on its behalf.

Nick Ruwe, Mr. Nixon's chief of staff, who accompanied him to the Middle East, called the trip "a private, self-started deal" even though

Mr. Nixon received help from U.S. embassies in setting up appointments and briefed senior U.S. officials in the four countries on the results of his talks.

Reagan administration officials said at first that they had not attached much significance to the former president's travel plans, but some have since said that Mr. Nixon apparently was using his role at the Sadat funeral as a springboard for wider travel and possibly for his own political rehabilitation.

Over the weekend, Mr. Reagan rejected Mr. Nixon's proposal for an economic quarantine of Libya, put forward in a press statement in Paris on Saturday. And on Monday, the administration went to some length to separate itself from Mr. Nixon's trip and any conclusions he may have reached or soundings he may have taken.

"If anyone stops to think about it, what the heck could Nixon do for us that we couldn't do for ourselves and better?" a high-ranking official said. "Maybe we're not sufficiently attuned to the political impact of this."

Both the White House and the State Department specifically denied a report in The Washington Post that Secretary of State Alexander M. Haig, Jr., once chief of staff in the Nixon White House, had helped to arrange Mr. Nixon's

visit while keeping the Reagan White House in the dark.

"The story is wrong," said Larry Speakes, the White House spokesman. "Nixon told Reagan about his trip when he was at the White House before departing for Sadat's funeral."

Prior to that, Mr. Speakes said Mr. Nixon talked to Deputy Secretary of State William P. Clark about obtaining briefing papers for Saudi Arabia. He added that Mr. Nixon told Mr. Reagan about the trip before he told Mr. Haig.

Senior White House officials did not learn of Mr. Nixon's plans, they said, until the U.S. delegation was about to head home from Cairo and found that Mr. Nixon was not to be aboard.

Dean E. Fischer, the State Department spokesman, said that Mr. Haig learned of Mr. Nixon's travel plans on Oct. 8, the day on which the delegation departed, and that the secretary of state had instructed an assistant to inform the White House. This, Mr. Fischer said, evidently was not done.

At the White House, officials acknowledged that Mr. Nixon's involvement at the Sadat funeral and subsequent travels had "touched a raw nerve for a lot of people." But after an initial flow of critical mail, an official said, the public response had turned more positive.

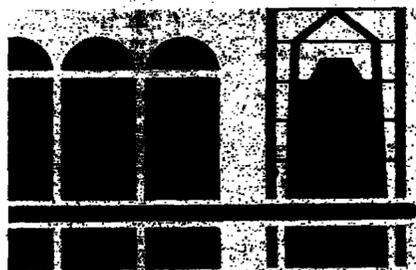
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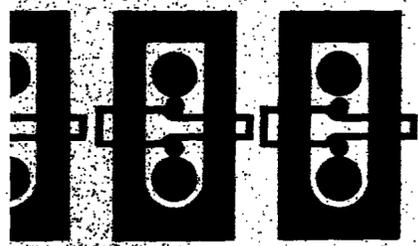
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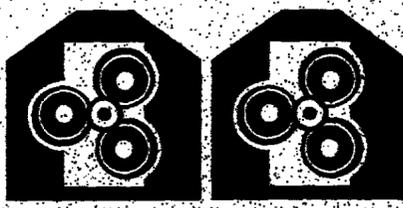
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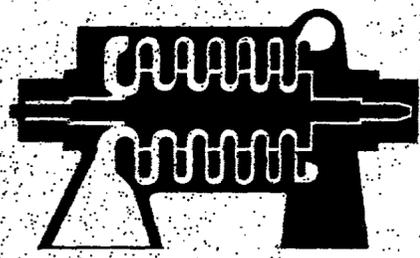
Metallurgical Plant
Integrated plant, blast furnaces, steel mills, continuous casters, electrometallurgical plant.



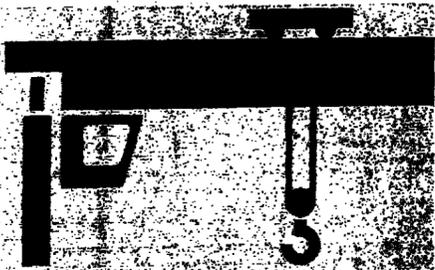
Rolling Mills
Rolling mills for beams, sections and wire-rod, strip and sheet mills, strip processing lines.



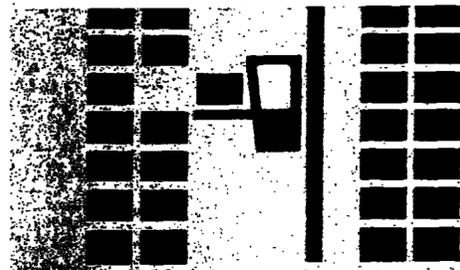
Pipe-Making
Plant and machinery for the production of seamless and welded tubes and pipes. Hydraulic presses.



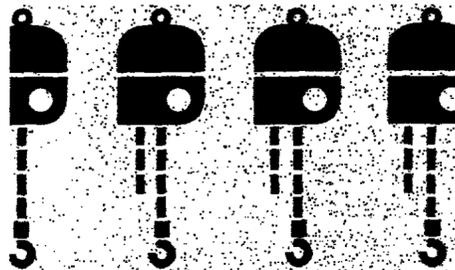
Compressors
Centrifugal compressors and positive displacement machines for air and technical gases.



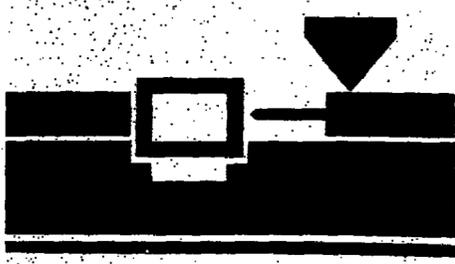
Cranes
Overhead cranes, slaving cranes and jibs, suspension cranes and track systems, and steel mill cranes.



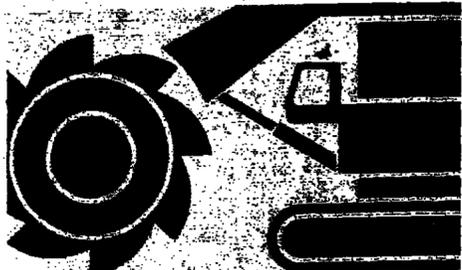
Distribution Systems
Materials handling and warehousing systems, automatic handling equipment, order pickers, and track feeders.



Components
Electric lifting tackle, standard crane components, load lifting attachments, drive and control components.



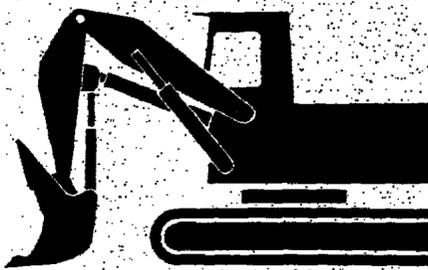
Plastics Machinery
Machinery and complete systems for injection moulding and extrusion.



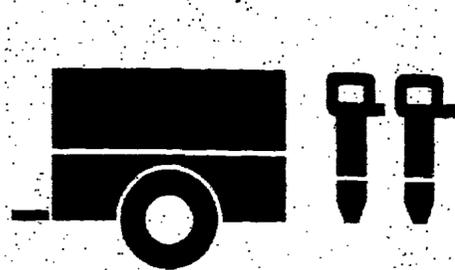
Bulk Handling
Bucket wheel excavators, reclaimers and belt conveyor systems, continuous handling systems.



Mining Equipment
Shaft winding equipment, tunnelling machines for hard and soft rock. Compressed air motors.



Construction Equipment
Hydraulic excavators up to 270 t, mobile cranes up to 800 t, road finishers up to 12 m.



Pneumatic Systems
Compressors, pneumatic tools, equipment and components for the building trade and industry in general.

Irrele...
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THREE AGROUND — The tug Vernicos Giorgos, right, lies half-submerged in St. Brides Bay near Solva, Wales, after being blown ashore. It was towing two other tugs from Liverpool to Greece when it lost a propeller in heavy weather, and all three were grounded. No one was injured. All crewmen were taken off by the coast guard and an air force helicopter.

Senate Unit Requests Casey Data

Inquiry on CIA Chief Centers on Indonesia

By George Lardner Jr. and Patrick E. Tyler

WASHINGTON — The Senate Select Committee on Intelligence has requested internal Treasury Department documents concerning CIA Director William J. Casey's work for Indonesia in 1976 in an effort to determine whether he should have registered as a foreign agent.

In a letter to Treasury Secretary Donald T. Regan, the committee's chairman, Sen. Barry M. Goldwater, Republican of Arizona, said the inquiries center on reports that Mr. Casey and other members of his New York law firm had met with Treasury officials "to discuss tax credits for oil exploration and other matters related to the government of Indonesia."

[John F. Blake, staff director of the intelligence committee, resigned Monday, partly because of what congressional aides said he perceived as his lack of authority. The New York Times reported in a memorandum to the committee staff, Mr. Blake stated that he was quitting, effective Oct. 30, to accept a "forthcoming opportunity," which he did not identify.]

[The resignation occurs as the committee is preparing to consider whether to extend the Casey investigation. The panel is scheduled to discuss the inquiry at a meeting Thursday, and a sharp debate is expected.]

Unfinished Investigation

The request for the Treasury Department documents concerning Mr. Casey was made as part of the committee's unfinished investigation of his financial activities during the last decade.

Mr. Casey's firm, Rogers & Wells, registered in July, 1977, as an agent for the Indonesian government. At the time, the Internal Revenue Service had specifically disallowed foreign tax credits under production-sharing contracts used by the Indonesian government.

Mr. Casey and his firm were hired to bring about a change in that ruling, but unlike the firm, never registered as a foreign agent. CIA General Counsel Stanley Sporkin said Monday that he believed Mr. Casey had approached Treasury and IRS officials on behalf of Indonesia but had done "no lobbying" and had not participated in other activities that would have required him to register.

New Findings in U.S. Back Theory Of Viruses' Role in Human Cancer

By Victor Cohn

WASHINGTON — The long-held suspicion that viruses may cause human cancer has strong support because of two discoveries by scientists at the National Institutes of Health.

One group reports in last Friday's issue of the journal Science that it has determined the exact, molecule-by-molecule structure of a cancer virus — a sarcoma virus — carried in the genes of mice.

At the same time, other scientists at the institutes have found sequences of the same family of viral genes, in this case viruses that cause leukemia, in human genetic material. Together, these and other discoveries add up to what many scientists call the best evidence yet that viruses are indeed a cause of human cancers.

Some scientists in recent years have cast doubt on this, despite the known involvement of viruses in cancers of many animals, including apes, cows, cats, mice and chickens.

Japanese Report

Then, just over a month ago, Dr. Robert Gallo reported isolating what he and his co-workers at the institutes strongly believe to be a human leukemia virus. Japanese doctors report finding the same virus in some of their patients.

Days later, scientists at three centers — Cold Spring Harbor Laboratory on Long Island, the

Massachusetts Institute of Technology, and Sidney Farber Cancer Institute in Boston — said they had found various "transforming genes" in human leukemia and colon, lung, breast and bladder cancer.

Viruses are simply strings of genetic material, like genes. In effect, they are genes that cause or help cause illness.

But the emerging concept of the way that viruses may play in human cancer makes them much different from the simpler viruses that people "catch," such as flu or measles or polio viruses.

Genetic Engineering

In cancer, what scientists call the "viral genome," the genetic material of the virus, may be only one part of a still little understood cellular process that leads to a cancer. These viruses, or viral genes, may in some unknown circumstances interact with other genes to start making cancer cells in wild and uncontrolled numbers.

Although the whole process is still little understood, new facts are emerging. This is made possible by genetic engineering, the new "recombinant DNA" technology that has scientists chopping up DNA and RNA — the chemical materials of genes and viruses — and manipulating them.

"For the first time," Dr. E. Frenkel said, "we have the tools to manipulate genes, to totally sequence them [decipher

their structure], to understand their molecular organization and to use them to transform cells and see what happens."

"This is a new era. It is like the explosion of research in nuclear physics in the 1920s and '30s, research that totally changed the subject."

Dr. Reddy, Mary Jane Smith and Dr. Stuart Aaronson have deciphered the genome or genetic structure of the Moloney mouse sarcoma virus, a virus long known to cancer researchers. The virus is a so-called Type C RNA retrovirus. The same kind of virus causes many known animal tumors and can be transmitted from parent to offspring in inherited genes.

It is Type C leukemia viral material that has been found in human DNA by a group led by Dr. Malcolm Martin of the National Institutes of Health. The Martin work was reported in the Proceedings of the National Academy of Sciences.

The mouse sarcoma virus is a string or chain of 5,828 "base pairs," or sets of individual nucleotides or basic chemicals whose exact order are now known. The chain seems to have "hot spots" where it can combine with genes in cells to become the transforming genes that may lead to a cancer.

Rebels in Philippines Explode Into Action

By Keyes Beech

Los Angeles Times Service

MANILA — After going quietly about its business for a dozen years in relative obscurity, the New People's Army, the military wing of the Communist Party in the Philippines, is strongly asserting itself.

During the past year, and especially during the past six months, guerrillas have shown a greater willingness to fight government forces. Hardly a day goes by without a report of clashes.

"It used to be that you found the NPA in only a few places," a Western source said. "Now they've broken out like measles all over the country."

Since the guerrillas attack on their own terms, government troops frequently get the worst of it. Some Americans who fought in Vietnam say the guerrillas are showing professionalism worthy of the Viet Cong during the early 1960s phase of the Indochina war.

"Some of their ambushes are really sharp," said a U.S. officer, "and they're getting better all the time."

No Major Threat

The guerrillas do not, strictly speaking, form an army. Nor is there a major threat to the rule by President Ferdinand E. Marcos. But it is the only Communist insurgency among several in Southeast Asia that shows signs of growth.

Mr. Marcos himself takes the New People's Army seriously enough to couple it with corruption as the two main evils he has marked for elimination.

Some political analysts link the upsurge in Communist military activity to a general drift to the left among disenfranchised political moderates and vaguely Marxist liberals who, rejecting Mr. Marcos, feel they have no place to go but to the left.

According to this analysis, politics in the Philippines was polarized further after Mr. Marcos lifted martial law this year and then assured himself of six more years in power in a presidential election run in such a way that he could not lose.

The so-called moderate opposition, already largely irrelevant, contributed to its own demise by failing to put up a candidate against Mr. Marcos. Rather than face certain defeat, old-guard politicians made a futile attempt to boycott the election.

Favorable Climate

The political and economic climate has seldom been more favorable for the Communists.

Political polarization in Manila means little or nothing to the rural poor, 42 percent of whom live below the poverty line. But there are other factors that do. One is the state of the Philippines' economy.

The world market for the country's four principal exports — sugar, copra, copper and timber — is gravely depressed.

"Usually, if sugar is down, copra is up or vice versa," said a Catholic priest in Mindanao. "Now everything is down all at once and people are hurting."

Meanwhile, the savage little war between the Philippine armed forces and Communist guerrillas continues to take its toll of innocent bystanders and make converts of poor farmers who feel they have nothing to lose by supporting the guerrillas.

Military Solution

Some senior army officers are said to be convinced there can be no military solution to the Communist insurgency, that the bloodletting can be ended only through political and economic reform. But they are definitely in the minority.

The steady increase in military activity by the guerrillas has coincided with a gradual fading away of the country's other insurgency — that of the Islamic-based Moro National Liberation Front in the southern Philippines.

Less than 18 months ago, 85 percent of the Philippines' armed forces were deployed against the separatists. Now the figure is down to 60 percent, enabling the government to concentrate more of its forces against the Communists.

Figures on Communist strength vary wildly. The guerrillas claim 10,000 armed men nationwide with 2,500 in the Luzon region. More conservative estimates put the figure at between 6,000 and 7,000 armed guerrillas.

Regardless of which figure is correct, the New People's Army has come a long way since it was born 13 years ago in central Luzon with a band of 60 Maoist fighters.

No Outside Help

The guerrillas are not known to receive assistance from Communist countries. They get their arms the same way the Viet Cong got theirs during the early part of the Vietnam War — by capturing them from isolated police or army outposts or simply buying them from government soldiers.

The Communists have been equally busy on the political front. In an effort to make themselves more acceptable to non-Communist opponents of the Marcos regime, they have shed their Maoist image and emerged as nationalists.

Not all Philippine Communists or their sympathizers are out in the barrios. Many are in Manila, and some of them belong to wealthy families.

More Skirmishes

MANILA (UPI) — Seven persons were killed and four others wounded in two separate skirmishes between government troops and guerrillas from the New People's Army, the Defense Ministry said Tuesday. The report said government losses included three soldiers, copra, copper and timber — it said three guerrillas were killed.

Exhibitions

The Toys of Ancient Japan: Once Upon a Turtle...

By Michael Zwerin

International Herald Tribune

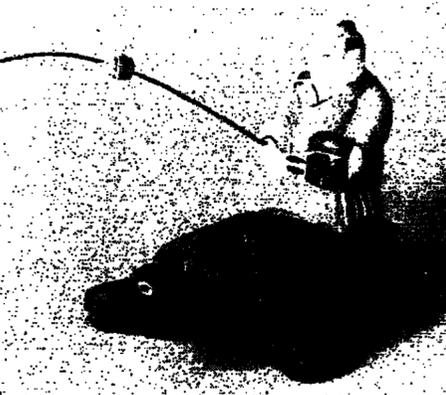
PARIS — Once upon a time, a Japanese fisherman named Uratama bought a tiny turtle from some children and freed it. A little later the beach he met an enormous turtle who invited him to ride on his back. The turtle took him to the land of the dragons, where the fisherman fell in love with Otohime, the daughter of the king. After three years, he grew homesick. Otohime gave him a little box, forbidding him to open it, and told the turtle to take him back home.

When Uratama arrived, everything looked different and he didn't know anybody. People told him that 300 years ago a fisherman had left on the back of a turtle. Depressed, he opened the little box, some white smoke escaped and he turned into a very old man.

A papier-mâché turtle with Uratama on its back hangs in the Musée des Arts Décoratifs from Oct. 28 through March 3.

Today Japan is the world's second-largest manufacturer and leading exporter of toys, and while many of them are electronic and come from movie and television themes like "Star Wars" or "Goldorak," the tradition goes back to the Edo period (1603-1867) and these old dolls and toys are still handmade today, much as they were centuries ago.

Between hammering workmen and meticulous specialists installing the fragile exhibits, the museum's curator of toys, Monica Burckhardt, for whom this is obviously a labor of love, turned reluctantly from her supervisory



Representation of the fable of the turtle and the fisherman.

duties to explain: "Two years ago a group of Japanese artists exhibited 40 of their dolls in the Nikko Hotel. After that they wanted to give them to France so our museum accepted them. But dolls alone are too narrow a subject so I organized this larger exhibit around them."

From Carp to Kites

There are hand-painted wooden tops, papier-mâché carp that make noise when the wind whistles through their mouths (the carp is a symbol of determination and energy), there are kites, kimono-clad figures, delicate painted birds with paper-thin

feathers carved from a single block of wood, hair-style dolls to be looked at from the back.

Tiny clay bells decorated with 12 animals represent the signs of the zodiac. They all have symbolic meaning. Rats are associated with Daikoku, god of prosperity; tigers are symbols of courage; horses symbolize human perseverance; wild boars signify prosperity but also poverty in some cases, and so on.

Yamato ningyo influenced 19th-century European toy makers. These dolls (Yamato is an ancient word for Japan, ninyo means dolls), made of combinations of hard and soft material

and with movable heads, are known as "silent envoys" or "friendship dolls," and many Westerners consider them the typical Japanese doll, although they are only one of many types.

A French manufacturer named Greffier won honorable mention for his Yamato dolls in the Paris toy exposition of 1855, at which no Japanese toy makers were represented. Later exhibits in 1867 and 1878 did, however, feature dolls by Japanese makers.

Endured Amid Electric Toys

Burckhardt pointed out that ancient Japanese toys and dolls have endured in the electronic era: "Some of them have been made exactly the same way for centuries, and often the tradition is handed down from generation to generation of the same family."

"We are going to have teachers who will try to put French children in the setting of Japanese children. They will be taught how to say good morning in Japanese, to bow, to eat with sticks, to make origami figures."

Origami is the art of paper folding, which is taught to Japanese in kindergarten. Fish, turtles and cranes are made by folding small square pieces of paper. They bring good luck and are given to sick friends instead of flowers. One thousand cranes represent a wish for a long life. In Hiroshima, a monument contains thousands of cranes folded by children, together with the inscription: "Here is our hope and our prayer: That peace will reign in the world."

When Burckhardt became ill last week she received a package of origami cranes, and the note: "I hope these will make you feel better."

Fashion

Kenzo: A Sober Palette With the Colors to Watch

By Hebe Dorsey

International Herald Tribune

PARIS — Good news at Kenzo's. Long on the fringe of big business and worldwide fame, he is now finally in orbit and financially organized. His new manager, Francois Banfumé, whom he brought in 18 months ago, said that sales have jumped from \$6 million in 1979 to \$14 million in 1981. Next year they should reach \$20 million.

"I know I'm on top of an oil well," Banfumé said, "that's why

I'm doing like the Arabs. I'm not rushing." A solid, cool man in his mid-40s, Banfumé is a French business school graduate who learned the ropes at Courrèges and GFT (Gruppo Finanziario Tessile) where he launched Giorgio Armani's women's-line export sales. What he has done for Kenzo, in organization and delivery, has already been registered by grateful store owners all over the world.

For Kenzo was popular but badly in need of a good manager. By far the best value for the money, the creative Japanese designer has been one of the most influential talents in Paris and the most copied as well. A lot of the styles in the streets were started by him — the baggies, the clown's overalls, the oversize blazer, the rose prints, the frilly blouse, to name a few. The current explosion of color and those ruffled minis are Kenzo's too. His shop on Place des Victoires is constantly jammed with customers — and copiers.

Changes in Color

It is interesting to note what's not selling is color, which Kenzo put on the map. At his showing Tuesday he displayed a more sober palette. One must take a strong look at Kenzo's new colors for they will eventually take over — lots of khakis, terra-cotta, deep blues, sophisticated greens and a garnet red that is far from that primary red he used to love. The only bright colors pop up in his Peruvian group, good tapered jersey pants with a brightly striped sash and colorful sweaters. There is also a Highlander look, made of subdued cotton plaids.

Kenzo also had those frilled minis, ruffed again but made of flowered cotton and topped by big, loose, pastel pullovers. His mailots with flowered armons were adorbale as were the accessories, including flat lace ballerinas. The ruffled romantic look has been ex-



Twin pink, blue taffeta gowns by Kenzo.

tended into a group of mini-Winterhalter gowns in the softest blue and pink candy shades.

Solid Core of Customers

Kenzo started on a shoestring. Immense talent, perfect technique and a sense of humor led him to call his boutique Jap. He built up a solid core of customers who understood the creative force behind those low price tags. But in volume and promotion, he was nowhere compared to Saint Laurent, Armani or Calvin Klein.

The reason is that Kenzo, who

in many ways has remained a wide-eyed innocent, used to live and work surrounded by a wild fashion commune of groupies and hangers-on. It took him a long time to shake the operation out of its amateurish and chaotic early days into the tougher world of dollars and cents. Finally, he had had enough. He bought out his business partner, Gilles Rayssac, and started anew.

Now, with Banfumé at the helm, the ambience may not be as exotic but the wheels are turning. Tuesday, in a quiet, businesslike atmosphere, his showrooms were jammed with buyers, from Bergdorf Goodman to Dallas' Lea Lattimore. The latter spent 25 percent of its French buying on the spot.

"I've been buying Kenzo for five years," Albert Lidji, Lou Lattimore's owner-president said. "It sells very well because there is always newness, freshness here. You find things you don't find anywhere else."

People can copy, but they never catch up. Kenzo's clothes are his success. It's not only one of expertise and knowing what to do with fabrics and colors. It is, as Lidji put it, "the combination of the playfulness of country fabrics with a sophisticated city color sense." It is also a sign that Kenzo has remained close to his Japanese roots, where nature and art co-exist.

While others easily fall into flaky folklore, Kenzo is always colorful but never costumey, which is a relief after some of the baroque Paris shows. His other quality is that while he can put a look together better than most, everything can be sold separately. Each item has such a consistent signature that a woman can come back to the next year and the year after next and have no problem updating and upgrading her wardrobe. Because Kenzo's clothes are very young, older women cannot wear the total look but can always buy something here and there.

Now he's back at center stage, with high creativity and realistic prices. The rest of the Paris designers, who often seem to design in a vacuum, had better watch out.

Mendenkott Diary Opening

Limited Press International

BALTIMORE — H.L. Mendenkott's diary, closed in five boxes since his death, will be opened to about a month to scholars, students and others by the Pratt Library, under terms the essayist stipulated before he died in 1956.

THE FRONT PAGE

The International Herald Tribune

1887-1980



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BUSINESS NEWS BRIEFS

Nippon Electric Plans 64K-Bit RAM Factory

TOKYO — Nippon Electric will build a factory near Tokyo to produce 64K-bit, very large scale, integrated circuit random access memories for industrial and consumer electronic products starting in 1983.

Payment for French Nationalization Estimated

PARIS — The French Ministry of Economy gave provisional estimates Tuesday of the level of compensation payable to shareholders in some firms due for nationalization, the National Assembly committee on nationalization said.

The estimates, in francs with Tuesday's Bourze closing price in parentheses, were: Rhone-Poulenc, 135.98 (117.50); Pechiney Ugine Kuhlmann, 104.64 (92.70); Saint-Gobain, 156.18 (137.20); Cie. Generale d'Electricite, 334.15 (306.50); Thomson-Brandt, 255.71 (230); Financiere de Paris et des Pays-Bas, 218.70 (202); Financiere de Suez, 327.35 (310); Credit du Nord, 101.26 (89); Credit Industriel et Commercial, 159.71 (140.50); and Credit Commercial de France, 163.76 (149.70).

The rate of compensation is calculated on the basis of a formula taking into account average Bourze prices in 1978-80, net assets, and paying half-yearly profits in 1978-80, with payment to be made in bonds.

U.S. Sues Over Grumman Bid to Block LTV

UNIONDALE, N.Y. — The U.S. Labor Department has called for the ouster of the three trustees of Grumman's pension plan in a suit that, if successful, will help LTV's \$450-million bid to take over Grumman.

The department asked U.S. District Judge Jacob Mishler on Monday to appoint outsiders to replace the trustees — who are top Grumman officials — on the ground that they violated provisions of federal pension law designed to prevent the assets of employee pension plans from being used to benefit the company.

Robert Eccles, a department attorney, said the trustees had breached their responsibilities to the plan's beneficiaries when they authorized the purchase of 1.16 million shares of Grumman stock last week in an effort to help block the bid LTV made last month. Grumman said the trustees deny that their action was inconsistent with their obligations.

IBM Opens Retail Stores in Chase Branches

NEW YORK — IBM opened retail stores Tuesday in two New York branches of Chase Manhattan Bank. The stores, in the lobbies of a branch in midtown Manhattan and one in Long Island City, are IBM's first in bank branches. They will offer typewriters, dictation equipment, copiers and IBM's new personal computer.

WestLB Seeking Capital Increase From State

FRANKFURT — Westdeutsche Landesbank Girozentrale is seeking a capital increase of 600 million to 700 million Deutsche marks (about \$273 million to \$318 million), starting in 1982, from the state government of North Rhine-Westphalia, a state spokesman said Tuesday.

One formulation of the capital increase would raise equity capital to 1.63 billion DM from 1.28 billion and boost reserves to 1.72 billion DM from 1.37 billion, banking sources said. The bank's shareholders are the state, the Federation of Savings Banks, and local authorities in the state, each with one third. A capital increase from the state would raise its share to about 48 percent.

The sources said it is estimated that the bank will need fresh capital averaging 200 million DM a year for five years to comply with possible new federal regulations on capital-to-lending ratios and the consolidation of accounts taking in Luxembourg subsidiary activities. The bank said in August that it can break even this year only by employing special measures unless interest rates fall significantly.

Teamsters Propose 3 for Pan Am Board Seat

NEW YORK — The Teamsters Union has proposed three candidates for a seat on the board of troubled Pan American World Airways, which agreed to union representation in a reorganization plan that ultimately would give employees a 12.2-percent stake in the airline in return for a 10-percent pay cut and other concessions.

The Teamsters nominated Nicholas Giraffa, president of Local 732, which represents 5,000 Pan Am workers; former U.S. Secretary of Labor W.J. Usery Jr.; and Earl Kehoe, a Miami lawyer specializing in labor relations. Pan Am's labor council, which includes other unions, could make further nominations.

Mortgage Delinquencies Worry U.S. Banks

By Winston Williams. CHICAGO — Mortgage delinquency and foreclosure rates in the United States are reaching the worrisome proportions of the mid-1970s, putting the housing industry under still more pressure.

This trend has stirred concern among home builders and real estate salesmen, who fear that more foreclosures will depress home values and further weaken an industry already staggered by high interest rates. Prices of existing houses are being affected, new home construction has been in a slump for two years and mortgage lenders have had mounting losses.

Mortgage delinquencies — payments more than 60 days past due — are rising to serious levels, said Brian Smith, an economist for the U.S. League of Savings Associations, a trade organization of savings and loan associations.

While the figures are climbing, however, there is hope that they can be kept within manageable bounds. Many lenders and private mortgage insurers say the situation is not yet a crisis.

Delinquencies added up to a record of \$6.43 billion at the end of August, the National Home Loan Bank Board reported — a total that partly reflects the upward trend of house prices in recent years.

According to the latest data from the savings association league, the August rate of delinquencies was 0.59 percent of mortgage loans outstanding, up from 0.52 percent in July and 0.46 percent in June after having fallen steadily earlier in the year.

In normal times, the delinquency rate has been 0.6 to 0.7 percent of mortgages outstanding. In February, 1976, in the aftermath of the severe 1974-75 recession, the rate was 1.06 percent.

The savings association league began keeping track of the rate in 1953. It got as high as 1.41 percent twice — in February, 1962, and February, 1964 — reflecting periods of economic trouble. Housing economists say that high delinquency rates then were considered more tolerable. For one thing, monthly mortgage payments were generally a smaller part of family income, making it easier to catch up.

Now foreclosures are on the rise. The Federal Housing Administration, which insures about 10 percent of all home mortgages, reported more than 23,000 foreclosure proceedings against FHA-covered properties in the first 11 months of the fiscal year that ended Sept. 30. This was about 30 percent more than the total for all of the previous fiscal years.

The Veterans Administration, which also guarantees mortgage payments, says foreclosures are running 1,200 a month, or 20 percent ahead of last year's pace.

Figures on conventional mortgages compiled by the savings association league and by the Mortgage Bankers Association of America indicate that the problem of past-due payments is almost as bad as it was during the 1974-75 recession.

Several lenders predict that delinquencies and foreclosures will remain troublesome until the middle of 1982.

"We're concerned," said Warren Dunn, a vice president of the Mortgage Bankers Association. "General economic conditions are going to worsen before they get better. With unemployment going up, we anticipate that delinquencies and foreclosures will go up, too." Generally, fewer than one of every five delinquent mortgages ends in foreclosure.

Mortgage bankers believe that delinquencies, which normally increase after a recession is well under way, will swell significantly early next year.

Foreclosure is time-consuming and costly, lenders say, so it is used only in extreme cases. Instead, bankers say they generally prefer to refinance the loan or allow the borrower to make only interest payments for a while. But any alternative will mean additional problems for thrift institutions.

Home TV Taping Ruled U.S. Copyright Violation

By Barnaby J. Feder. NEW YORK — Videotape recording of copyrighted television programs, even if done at home only for private use, is an infringement of the rights of those who own the programs, a U.S. appellate court has ruled.

As a result, the court indicated Monday, the millions of consumers who use videotape machines to record programs off their television screens could be sued for damages, along with the companies that manufacture or distribute such devices, the stores that sell them and the advertising agencies that encourage their purchase.

The decision seems virtually certain to be appealed. "This is just a stage on the way to the Supreme Court," said John Fleming, a law professor at the University of California at Berkeley. "And I think the court will agree to hear it because it is so important."

The three-judge panel of the U.S. Court of Appeals for the Ninth Circuit in San Francisco, led by Judge Warren J. Ferguson in Federal District Court in Los Angeles. The appeals court sent the case back to Judge Ferguson and ordered him to fashion some sort of relief for the plaintiffs — Universal City Studios and Walt Disney Productions.

Neither the district court nor the court of appeals has addressed the question of how extensive damages might be. This gives experts no basis for estimating what impact a final ruling might have on the price of videotape recorders. They now sell for \$600 and up. The cassettes they use for taping programs sell for less than \$20 apiece.

The decision in San Francisco seems to recognize that it would be next to impossible for owners of the shows (usually television networks or production studios) to determine case by case who was recording or how much the recordings were costing them.

Acknowledging that the relief question was "exceedingly complex," the court suggested that one solution might be to have the manufacturers pay royalties to the studios. But the court also said an injunction against further manufacture and sale of the devices should be reconsidered. Judge Ferguson had said he did not believe such action was appropriate.

Stephen Kroft, the two movie studios, said he would press for such an injunction. The companies that are directly affected, in addition to Sony, would be those licensed to make its Betamax, including Sanyo and Toshiba; and major distributors of it, including Zenth and Sears, Roebuck.

Unless the decision is reversed by the Supreme Court, it will lay the groundwork for a similar suit against Sony's rival, Matsushita, which produces the VHS recorder system marketed under labels including RCA, Panasonic, Quasar, JVC, General Electric, Magnavox, and Sylvania.

Virtually all videotape recorders are manufactured in Japan. Hitachi and JVC make Matsushita's model under license. Besides Sony, the defendants in the test case are four retail store chains, the advertising agency for Sony's Betamax recorder, and one Betamax owner.

Mr. Kroft called the decision "enormously important to the entire movie industry," but copyright experts were not so sure. "They may have a problem establishing damages, no matter what system is set up for them to be compensated," said Mr. Fleming in Berkeley.

The studies show that archiving — the taping of shows for storage and repeated use — is relatively rare. Most owners seem to use them when they have seen it. In that situation, the show's owners may actually be benefiting because, as a result, the program's audience is bigger.

This viewpoint is in contrast to that of the appeals court. Its ruling says owners of recorders would be gaining "economic control" of the shows, making it hard for the shows' owners to exploit them fully.

Prime Computer Gets Loan. NATICK, Mass. — Prime Computer has arranged an eight-year, \$100-million revolving credit and term loan from six banks led by Citibank, the company said Tuesday. It has the option of paying interest at the U.S. prime rate or, for three years, a fixed rate based on the Libor deposit rate.

WEEKLY NOTIFICATION COMP TREND II A MANAGED COMMODITY ACCOUNT. Equity on January 1, 1981: \$100,000.00. Equity on October 15, 1981: \$242,707.63 after all charges.

For information call or write: Royal Frazier, or Ian Somerville, TAPMAN; Trend Analysis and Portfolio Management, Inc., 168 Street Plaza, New York, New York 10005, (212) 259-1041. TELEX BMT 667173 LU. TAPMAN is a wholly owned subsidiary of Balfour, Beatty International Ltd.

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Reagan Team Says Rise in Taxes Needed To Offset Deficits

WASHINGTON — Higher taxes will be needed to balance the budget in fiscal 1984, two administration officials said Tuesday. But they urged Congress not to change the recent income tax cut.

The officials — Lawrence Kudlow, assistant director for economic policy of the Office of Management and Budget, and Jerry Jordan, a member of the presidential Council of Economic Advisers — agreed with Senate Budget Committee Chairman Pete Domenici that additional tax raising measures would be needed if the administration is to reach its deficit target.

Treasury Secretary Donald Regan told a businessmen's group Tuesday that the administration remains committed to a 10-percent tax cut in July, 1982, and July, 1983, as part of the president's program to revitalize the economy. He added that the Treasury was considering raising federal taxes on liquor and tobacco.

Senator Domenici, a New Mexico Democrat, said that all 13 OPEC members would be at the meeting.

Mr. Nguema said later that Libya might be holding the position at the next OPEC meeting. He said a compromise between Libya and the concession Libya would have to make later to get an OPEC pricing consensus.

Saudi Arabia has campaigned to stabilize the price of oil and curb the ambitions of OPEC members who set higher prices when the market was tight.

Sheikh Yamani told the OPEC meetings in June and August that Saudi output would fall only if OPEC unified prices on Saudi oil no higher than \$34 and reasonable differentials on top of that for cruder grades of oil.

Industry sources say the producers of the top grade oil, including Algeria and Libya, have sought a formula to let them charge up to \$4 more than the benchmark. For a new ceiling of \$38.

Western bankers believe the Saudis could afford to trim from just above nine million barrels a day to below seven million barrels.

Last week, Iraq cut its \$36 base price nearly to \$34; and analysts note that Venezuela is actually selling its oil now on the basis of a \$34 price. Only very small amounts of the country's best oil are based on \$36, traders say.

Venezuela, whose oil production has dropped to a daily average of 2.12 million barrels from 2.17 million in 1980, now says it is ready to put OPEC unity first.

Oil Venture Set In Latin America. CARACAS — The state oil companies of Mexico, Venezuela and Brazil have agreed to set up a trilateral venture to explore and drill for oil in other Latin American countries.

The majority of Latin American states have great resources but lack the means to exploit them, Humberto Calderon Berti, Venezuela's energy and mines minister, said Monday.

He did not say how much will be invested in the projects, but added that, once the company has been structured, work would begin where requested.

The new unified oil price but that it will not be a major issue in the meeting, Mr. Subroto said.

Several OPEC Ministers, including Mr. Subroto and Saudi Arabia's Sheikh Ahmed Zaki Yamani, have said the new price should be frozen until the end of 1982.

Mr. Subroto said a simple majority of OPEC members had signed their agreement to the Geneva talks. But in Kuwait, Oil Minister Sheikh Ahmed al-Sabah, said that all 13 OPEC mem-

bers agreed to an emergency meeting to precede the organization scheduled meeting in Abu Dhabi in December.

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Oil industry sources said that a price reunitification settlement would entail \$2-a-barrel price increase to \$34 a barrel by Saudi Arabia and a parallel decrease by those that still maintain a market price above \$34. A senior OPEC source said the Saudis had agreed to the \$34 price.

Unification [of prices] will be the main part of the discussions," Mr. Subroto said. "My opinion is that there will not be much problem concerning differentials [for different quality crudes] — that has been more or less settled already."

The only point of possible disagreement would be the duration of

hit during the market's recent tumble.

They also said some oil and related issues attracted attention after OPEC's president, held an Oct. 29 on prices. Experts said if a unified oil price is reached, the worldwide oil glut will end eventually and company profits will increase.

Meanwhile, U.S. credit markets weakened and bond prices lost their early gains, dealers said in New York. Treasury bill rates rose from the opening but remained down on Monday's close. Dealers said the weakness was prompted by concern over the 0.8 percent rise in personal income in September, and by worries about the volume of new issues.

The Treasury later announced that it will raise \$1.025 billion of new cash by selling \$4.7 billion of three-month bills and an identical amount of six-month bills at regular weekly auction Oct. 26.

Energy Issues Boost Prices on Wall Street. NEW YORK — Prices on the New York Stock Exchange closed higher Tuesday, helped by stronger energy issues and what analysts attributed to technical considerations.

The Dow Jones industrial average rose more than nine points during the day but eased in late trading to close up 4.75 to 851.88. Advances led declines by 980 to 530 and volume swelled to 51 million shares from 41.49 million Monday.

Harvey Deutsch of Pirelli Graham said investors were encouraged Monday when the Dow Jones average did not fall below the 845 level. "It was a good test of the lows and its now time to test the highs," he said.

Analysts said much of the upswing was due to bargain hunting among blue chip and technology issues, which were particularly hard

hit during the market's recent tumble.

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OPEC Sets Price Meeting Oct. 29

JAKARTA — A majority of OPEC members will hold an extraordinary meeting Oct. 29 in Geneva on a unified oil price system, two OPEC officials announced Tuesday.

The meeting will be a short one," said Marc Nan Nguema of Gabon, OPEC's secretary who is visiting Jakarta. "We will only discuss new unified oil prices. Those prices will take effect immediately."

Indonesian Energy Minister Subroto, OPEC's president, told a press conference there was a virtual consensus among the group's 13 members to unify prices, though the two officials declined to say what the price might be.

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Advertisement for Landesbank Stuttgart featuring a large image of a ship and a portrait of a man. Text includes: 'Where Productivity is first priority.', 'Baden-Württemberg is associated with productivity and achievement in science, technology, and industry.', 'Landesbank Stuttgart is a government-backed bank offering a comprehensive range of commercial and investment services including foreign trade financing, security clearing and underwriting operations. With a full-service branch in London.'

Tokyo Stock Market Rally. TOKYO — The Tokyo stock market average, which had lost 511.15 points in the past five sessions, rallied Tuesday to close 33.27 points up at 7,109.92.

CURRENCY RATES. Interbank exchange rates for Oct. 20, 1981, excluding bank service charges.

Dollar Values. Table showing exchange rates for various currencies including Australian \$, Canadian \$, Hong Kong \$, etc.

Reagan Team Says Rise in Taxes Needed

Revenues Required To Offset Deficits

(Continued from Page 7) ... Reagan administration economists conceded that the administration may be facing larger budget deficits than its projections. "I don't think we disagree with them [Sen. Domenici's numbers] in any significant way," Mr. Kudlow said.

Mr. Jordan, the council's member responsible for forecasting, said U.S. gross national product in the third quarter was flat or slightly down and that the fourth quarter "about the same." But he said economic recovery should start in the first quarter of 1982 with sound expansion in real economic growth picking up during the year.

Personal Income Up
Meanwhile, the Commerce Department reported that U.S. personal income rose 0.8 percent in September, following a slightly revised 0.9-percent increase in August and a revised 1.4-percent rise in July.

However, personal consumption expenditures fell \$1 billion after climbing \$36.5 billion in August, a reflection of lower levels of automobile purchases as many rebate promotions ended. As a result, personal savings climbed last month after falling in August.

Mr. Jordan said he expects inflation to continue a year-over-year deceleration of "between one and two percentage points compared with 1981." The slow and stable money growth and declining inflation rates mean that the long-term outlook for nominal interest rates is for a "sustained downward trend," he added.

London Futures Mart To Trade 4 Currencies

LONDON — Four currencies will be traded on the London International Financial Futures Exchange when it opens next September, the chairman of its planning group, John Barkshire, said Tuesday at a news conference.

As Iran Tribunal Opens, Sedco Belies Star-Crossed Aura

By William K. Stevens
New York Times Service

DALLAS — More than most companies in the business of drilling offshore oil wells around the world, Sedco has found itself in the spotlight during the past few years — and not always in ways it would like.

In 1979, Sedco watched as 16 of its drilling rigs, a shipyard and construction equipment were swallowed up by the whirlwind of the Iranian revolution.

Those losses were written off at \$50 million. But on Tuesday, before the Iran-U.S. Claims Tribunal in The Hague, Sedco was scheduled to seek what is believed to be one of the largest repayments of damages claimed by any U.S. company as a result of Iran's expropriation of U.S. assets there.

In its claim of more than \$175 million, Sedco seeks to recapture both the value of the lost equipment and the revenue that the equipment would have generated.

The Iranian loss was not Sedco's only problem in 1979. It was a Sedco rig that blew out in the Gulf of Mexico, creating the world's worst oil spill, inspiring more than \$300 million in private lawsuits against the company and prompting the state and federal governments to file damage suits against Sedco.

If this were all that was known about Sedco, one would think it a star-crossed company. But in fact, if the company recovers any substantial part of its Iranian claim it will mean just that much more cash to pump back into a thriving, expanding, aggressive enterprise whose rapidly growing earnings, grounded in contract drilling, form an underpinning for major new ventures in the stock market and in oil and gas exploration.

"Very Bullish"
In the lawsuits over the Mexican oil spill, almost no one expects the company to be held seriously liable. The rig was leased to Permargo, a state-owned Mexican drilling concern, which was contractually responsible for its operation.

"I'm very bullish on this company," said George Gaspar, an analyst with Robert W. Baird & Co. whose publication, The Gaspar Report, issues regular advisories on Sedco and other companies in the offshore drilling business.

As part of a serious move into oil and gas exploration, Sedco has entered in recent months into a joint venture with Phillips Petroleum to explore and develop what is adjudged a major new oilfield off the Ivory Coast.

ago, it reaped about \$24.5 million by selling 350,000 shares of Delhi International Oil shortly before Delhi suffered one of the worst single-day losses in market history.

Earlier this month, in a move whose possible riskiness worries some stock analysts, it was disclosed that Sedco had become the largest single stockholder of Marathon Oil and was interested in buying more. This fueled speculation, denied by the company, that Sedco had its eye on a takeover of the 17th largest U.S. oil company.

Earnings Building
In the meantime, Sedco's earnings continue to build. In fiscal 1981, the company earned \$66.4 million, or \$2.08 a share, on revenues of \$385 million, up from 1980 earnings of \$38.6 million, or \$1.24 a share, on revenues of \$301 million.

For 1983, Mr. Gaspar has forecast that, as Sedco's oil and gas exploration ventures generate more income, the company's earnings will soar to the \$4.30-\$4.70 range on revenues of more than \$615 million.

of the founder Texas Gov. William P. Clements Jr. — and other company executives prefer not to discuss company affairs in depth with reporters. But they have made it no secret that one of the company's main strategies is to redirect a substantial part of its contract drilling earnings into oil and gas operations.

"I'd say it's certainly a company on the move," said Rex Gwinn, an analyst for Rotaan-Moels in Houston. "They're taking more of the cash flow that they know is going to be generated on the offshore drilling side, and redeploying it to the oil and gas side."

Sedco began exploration for oil and gas in 1978. So far, the move has yet to pay off. Its pretax losses in oil and gas operations grew from \$1 million in 1978 to \$25.6 million in fiscal 1981.

But analysts expect the oil and gas operations to begin paying off in the next year. Meanwhile, Sedco's position as one of the world's top offshore drilling contractors continues to provide it with a solid financial underpinning. Sedco is expanding its drilling fleet, revenues from whose contract operations brought in \$333 million of the company's \$385 million in revenues in fiscal 1981.

Australia

Table with columns for MIM Holdings, 1st Quor., Revenue, Profits, Per Share for 1980 and 1981.

Canada

Table with columns for Alcan Aluminum, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

United States

Table with columns for Armco, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

American Express

Table with columns for American Express, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

Bristol-Myers

Table with columns for Bristol-Myers, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

Caterpillar Tractor

Table with columns for Caterpillar Tractor, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

Calsonic

Table with columns for Calsonic, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

Chico

Table with columns for Chico, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

Crocker National

Table with columns for Crocker National, 3rd Quor., Revenue, Profits, Per Share for 1981 and 1980.

USIF REAL ESTATE

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
Notice is hereby given that the Annual General Meeting of shareholders of USIF Real Estate ("USIF") will be held at the Nassau Beach Hotel (Golfstream Room), West Bay Street on the island of the New Providence in the Commonwealth of the Bahamas, on Friday, the 4th day of December 1981, at 10:00 o'clock in the forenoon for the following purposes:

COMPANY REPORTS

Table of company reports including Digital Equipment, Manufacturers Hanover, First Charter Financial, First National Boston, Georgia-Pacific, Golden West Financial, Imperial Corp. of America, Goodrich (B.F.), Calsonic, and Chico.

Table of company reports including Security Pacific, Union Pacific, Paccor, Republic Steel, Santa Fe Industries, Northrup, Schering-Plough, and Ohio Edison.

PACIFIC WESTERN UNIVERSITY
For Life Experiences & Work Experiences
Degrees for people who want to be more effective and secure in their Jobs or Professions.

INTERNATIONAL BUSINESS OPPORTUNITIES

LEISURE MANAGEMENT BAHRAIN
On behalf of our client, we are seeking an experienced operator to establish and manage leisure facilities as part of a prestige commercial development now nearing completion in Bahrain in the Middle East.

NEW PLANT INSTALLATION SAO PAULO - BRAZIL
Sited 25 km outside São Paulo, on the highway to Rio de Janeiro, next to very large industries.

INVESTMENT OPPORTUNITY
U.S. corporation in the medical equipment field, will require an additional 10 million U.S. dollar, to acquire the subsidiary of a well known Fortune 500 corporation.

INDUSTRIAL & COMMERCIAL REAL ESTATE
A MILLER GROUP DEVELOPMENT
BRACKNELL MILLER HOUSE
A MAJOR TOWN CENTRE DEVELOPMENT
55,000 sq. ft.
Air Conditioned Offices
20 Minutes to Heathrow

OFFICES TO LET
26, Champs-Elysées: from 447 M2 to 2100 M2
17,19, Rue de Ponthieu: from 447 M2 to 1200 M2
Elysées 26
REALISATION
SAL. 26, Champs-Elysées
SCL. 17, 19, 21, Rue de Ponthieu

Y DA U GO

NYSE Nationwide Trading Closing Prices Oct. 20

Tables include the nationwide prices up to the closing on Wall Street.

Table of NYSE Nationwide Trading Closing Prices for Oct. 20, 1981, listing various stocks and their prices.

U.S. COMMODITY PRICES

Table of U.S. Commodity Prices for Oct. 20, 1981, including Chicago Futures, New York Futures, and various commodity prices.

Floating Rate Notes

Table of Floating Rate Notes, listing various banks and their floating rate notes.

European Stock Markets

Table of European Stock Markets, listing closing prices in local currencies for various European cities like Amsterdam, Paris, London, Brussels, Frankfurt, Zurich, and Milan.

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK. In re: SEATRAN LINES, INC.

NOTICE OF BAR DATE FOR FILING PROOFS OF CLAIM (LAST DATE TO FILE CLAIMS) AND OF CLAIMS PROCEDURE

TO: CREDITORS, STOCKHOLDERS AND DEBENTURE-HOLDERS OF SEATRAN LINES, INC. AND TO ANY PERSON, ENTITY OR GOVERNMENTAL UNIT THAT ASSERTS A CLAIM AGAINST THE DEBTOR, SEATRAN LINES, INC.

PLEASE TAKE NOTICE that the United States Bankruptcy Court for the Southern District of New York has entered an order dated September 21, 1981...

CREDITORS WHOSE CLAIMS ARE LISTED ON THE SCHEDULES OF SEATRAN LINES, INC. WHICH SCHEDULES WERE FILED IN COURT ON JUNE 10, 1981, AND WHOSE CLAIMS ARE NOT LISTED AS DISPUTED, CONTINGENT OR UNLIQUIDATED AND WHO DO NOT DISPUTE THE LISTED AMOUNT OF THEIR CLAIM, NEED NOT FILE PROOFS OF CLAIM...

Copies of the Schedules, the Application for the Bar Order and the Court's Order are available for inspection during regular business hours, at the offices of the Clerk of the United States Bankruptcy Court, Room 230, United States Courthouse, Foley Square, New York, New York 10007.

STROOCK & STROOCK & LAVAN Attorneys for Seatrains Lines, Inc. Debtor. Chapter 11 Case No. 81 B 10811

INFORMATION REGARDING THE SCHEDULES AND THE MANNER IN WHICH A CREDITOR HAS BEEN LISTED OR THE NAMES OF THE SUBSIDIARIES MAY BE OBTAINED BY CONTACTING: MITCHELL SILVERMAN c/o Seatrains Lines, Inc. 1 Chase Manhattan Plaza New York, New York 10005.

Handwritten signature: Jey...

Holder of Bearer Depositary Receipts for convertible preferred stock, first series, of BAXTER TRAVEL International Capital Corporation

Notice is hereby given that the conversion rate applicable to the conversion of shares of convertible preferred stock, first series (the "preferred stock") of Baxter Travel International Capital Corporation, a Delaware Corporation (the "Company"), pursuant to the guarantee and conversion agreement between the Company and Baxter Travel Laboratories, Inc. a Delaware Corporation (formerly named Baxter Laboratories, Inc.), as guarantor (the "Guarantor"), shall be two shares of common stock, \$1 par value, of the guarantor for each share of preferred stock from and after the close of business on October 2, 1981.

MORGAN GUARANTY TRUST CO OF NEW YORK Depository

Advertisement for the Republic of Tunisia Ministry of the National Economy Phosphate Company of Gafsa. Includes text: 'INTERNATIONAL INVITATION TO TENDER P 3114' and details about equipment for phosphate mining.

XEROX CORPORATION (CDR's)

The undersigned announces that as from 30th October 1981 at K.A. Associates, N.V., Spuistraat 172, Amsterdam, dividend of 30 of the CDR's Xerox Corporation, each representing 1 share, will be payable with Dfls. 1.54 net (dividend) after deduction of 15% (USA-tax) = \$ 1.25 = Dfls. .27 per CDR.

ADVERTISEMENT

Advertisement for Xerox Corporation regarding the payment of dividends to CDR holders.

Tokyo Exchange

Table of Tokyo Exchange rates for various currencies and commodities.

Eurocurrency Interest Rates

Table of Eurocurrency Interest Rates for various banks and currencies.

AMER Index

Table of AMER Index values for various commodities.

European Gold Markets

Table of European Gold Markets prices for various locations.

Japan to Accept Credit Proposal, Sources Report

TOKYO — Japan will accept compromise proposal allowing Export-Import Bank to charge lower interest rates than other advanced industrialized countries export credits, informed sources said Tuesday.

European Options Exchange

Table of European Options Exchange data, including Gold Options and Values White Weld S.A.

AMEX Nationwide Trading Closing Prices Oct. 20

Tables include the nationwide prices up to the closing on Wall Street.

Main table containing AMEX Nationwide Trading Closing Prices for various stocks, organized in multiple columns with columns for stock name, price, and change.

Toronto Stocks table listing closing prices for various Canadian stocks on Oct. 19, 1981.

Montreal Stocks table listing closing prices for various Canadian stocks on Oct. 19, 1981.

Selected Over-the-Counter table listing prices for various over-the-counter securities on Oct. 20, 1981.

Canadian Indexes table showing market indices for Oct. 20, 1981.

Invest in Land advertisement text and contact information for PBL International Limited.

Escorts & Guides advertisement listing services in various cities like London, Geneva, and Zurich.

Escorts & Guides advertisement listing services in various cities like London, Geneva, and Zurich.

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Escorts & Guides advertisement listing services in various cities like London, Geneva, and Zurich.

Handwritten signature or note in the top right corner.

To our readers... Please let us know about any problems you may have... Francois Desmaisons Circulation Director...

Large classified advertisement section containing multiple sub-sections: EMPLOYMENT, CLASSIFIED ADVERTISEMENTS (Automobiles, Autos Tax Free, Tax Free Cars, Auto Shipping, Shipside Building, Transco, Education, Escorts & Guides, Regency - USA, Zurich, Place Your Classified Ad), and HOTELS RESTAURANTS NIGHT CLUBS.

The Soccer Scene

f Transplants and 'Homers'

By Rob Hughes
International Herald Tribune
LONDON — The slang term "transplants" is being used to describe players who have moved from their native countries to play in other leagues.

ways daunting. Cup Winners' journey takes Tottenham Hotspur, complete with Argentinean midfielders, to Dundalk, just south of the Irish border and the scene of police activity following the IRA kidnap of a millionaire.

first round. Bayern actually added a new talent, the goalkeeping Icelandic midfielder Asgeir Sigurvinsson, to its championship squad, yet fans have suddenly deserted it to such an extent that Bayern was humbled, 4-0, in Cologne last Saturday.

Portugal also plays a major supporting role in an almost-English mystery thriller in the UEFA Cup. Malcolm Allison, the charismatic but enigmatic Londoner, returns as coach to Sporting Lisbon, which opposes Kevin Keegan & Co. at Southampton.

These are troubled days in Spain. Seven months before the World Cup, the national coach Jose Santamaria is hearing the rumbling of discontent at his leadership. Champion Real Sociedad is already eliminated from Europe and Real Madrid, having hauled its way past Tatabánya of Hungary, now faces more experienced opponents from East Germany's Carl Zeiss Jena.

The French too, have almost been decimated across Europe. Apart from the aggressive Corsicans of Bastia, the other survivor is Bordeaux. Les Girondins of Bordeaux invested heavily for this Euro-challenge, signing international midfielder Jean Tigana and Yugoslav penalty-scoring goalkeeper Dagan Pantelic.

Speaking of youth, it is churlish to applaud loud Qatar's 4-0 hammering by West Germany in the world Youth Cup final. Qatar, with a Gulf populace of 180,000 and a Brazilian coach, ousted the United States controversially, England by force and Brazil acrimoniously.

The players each earned \$20,000, but then, in what should be a learning experience, Qatar dangled the carrot of \$130,000 — plus a house, plus a car — before its kids to win the final. Thanks to West Germany, they learned that money can't buy success. Nearly, but not quite.



Reggie Jackson
The Associated Press
... The one thing I want them to say about me is that I was a winner.

Dodgers Up Against It Again In the Core of the Big Apple

By Ross Newhan
Los Angeles Times Service
NEW YORK — Amid the shouting and champagne in the Los Angeles Dodger clubhouse Monday, just after they had defeated Montreal to qualify for Tuesday night's World Series opener here, Manager Tom Lasorda raised his left arm triumphantly and bellowed into a TV microphone: "We can't wait to get to New York."

Obviously, times change. It was just three years ago that the Dodgers couldn't wait to get out of New York.

They had just lost three in a row at Yankee Stadium, their 2-0 lead in the 1978 World Series having become a 3-2 deficit. The Yankees wrapped it up in the sixth game at Dodger Stadium, claiming their second straight world championship at the Dodgers' expense.

Instead, they placed the blame for a series of inept offensive and defensive efforts on the city of New York. The Big Apple? Rotten, they said.

Shortstop Bill Russell was the most outspoken. "With 56,000 screaming people," he said, "it's hard to concentrate. The fans unnerved us. They never let up on you. They have no courtesy at all. They're obnoxious. The worst."

Russell said everything about New York was the worst — fans, city, writers. "Of course if you live here long enough," he remarked, "I guess it's only natural that you become an ass."

matter to me who we played — the Expos or Dodgers. They're both right-handed clubs [Guidry is left-handed]. But I can't imagine any lineup being any harder to beat than Milwaukee's, and we've already proved we can beat theirs.

Guidry failed to go longer than 4 1/2 innings in either of two starts against the Brewers, but New York won both. The 5-11, 162-pounder was 11-5 with a 2.76 earned-run average during the regular season, when a complete game for him amounted to six or seven innings' work.

"Any time you have a pair of pitchers like that in the bullpen," Guidry said Monday, "you don't worry about nipping and tucking. You go as hard as you can for as long as you can. I pitched with that philosophy during the regular season and I'll go with it again now."

The absence of a designated pitcher was a problem for Yankees Manager Bob Lemon. With a DH, Reggie Jackson would definitely be in the lineup. Now, because Jackson has a muscle pull in his left calf, a decision wasn't to be made until he did some running just prior to the game. Were Jackson unable to play, Piniella was to start in right field against Jerry Reuss.

Jackson's absence could be significant. He has proven that his presence is. Jackson has played for five world champion teams and has never been on a Series loser. His lifetime Series average is .360; he has nine Series home runs and 23 runs batted in.

"When I'm finished," Mr. October said Monday, "the one thing I want them to say about me is that I was a winner."

Both Jackson and Nettles have apologized to owner George Steinbrenner for their scuffle at the club's victory party in Oakland.

Past Tense
"It's in the past," Nettles said of the incident. "It's forgotten. We had an opportunity to talk things out and now we understand each other. I'll be rooting for Reggie and I hope he'll be rooting for me."

"I told him that as soon as it [the scuffle] was over I was sorry it happened. The thing that bothered me most is that some people said it was racial. It wasn't. I went to all the black players on the team and told them it wasn't. In no way, no way at all, was it racial."

It is almost certain that Bob Lemon will return as manager in '82, the final year of the contract he signed in '78 when he replaced Billy Martin in midseason and led the Yankees back from a 14 game deficit.

Said Tommy John: "What Lem does is try to keep things in their simplest form. Some managers try to make this a complicated game. Lem says you pitch, you throw, you hit, you run, you catch — and if you do them well, you win."

The Rosters

Table with columns for New York Yankees and Los Angeles Dodgers, listing players, positions, and statistics.

Too Close
mes close on Wednesday. It hasn't drawn an East opponent, but even on-Don in the Soviet Union two of the European inner's Cup. Too close for it: Frankfurt's challenge will couple of players short, its sinned on the leadership of a Bruno Pezzey, the thrust son Bum-Kun Cha and the ce of West Germans like Nickel to hold the Russians the return match in Frank-

task. Ska Rostov had, the Soviet Cup, to prove a side than the fluently-skilled to Tbilisi, whose Georgians se 1981 Cup Winner's tour-t. Tbilisi, much admired in humn, has a ticklish second-rip to Cornea, where Basprize UEFA finalist in 1979, is on the Swiss Armande and the Cameroon Roger to make and score its goals. y cosmopolitan, these Euro-ontests. Still, in the Cup r's Cup, and still, with s, Dukla Prague looks to lav Vizek and Zdenek Ncho-bud a big lead over a Bar-1 millionaire squad guided by Germans — Captain Bernd ter and Coach Udo Lattek. other fascinating, in some

Blossoming of Pro Soccer Men for U.S. After Mid-'80s

Still other teams may fold in upcoming years until "the bulge" of present young players grows up, Woosnam said.

There still may be a bit of instability," he said of the next few years.

3d-Stringer Leads Lions Over Bears In a 48-17 Romp

PONTIAC, Mich. — Second-year quarterback Eric Hipple, making his first National Football League start, passed for 336 yards and four touchdowns and ran for two other scores, leading the Detroit Lions to a 48-17 crusher over the Chicago Bears Monday night.

Hipple, who started the season as Detroit's No. 3 quarterback, got the call after second-stringer Jeff Komlo faltered for two straight weeks in relief of injured regular Gary Danielson. He had touch-down runs of 1 and 4 yards, and threw a 2-yard TD pass to Rick Kane as Detroit stormed to a 27-14 halftime lead.

IL Standings

Table showing NFL standings for various divisions including AFC East, AFC Central, AFC West, AFC South, AFC North, AFC West, AFC South, AFC North, AFC West, AFC South, AFC North.

Transactions

BOSTON—Added Wayne Boose, outfielder; Brian Deacon, Dennis Barff and Dave Schepers, pitchers; Steve Sullivan, catcher; Jackie Gelfand, pitcher; Harry Bonnett, second baseman; and Ed Jurak, infielder, to its 48-man roster. Sent Jim Dwyer, Keith MacWhorter and Mike Howerd, pitchers; and Dave Schmidt, catcher, to Poughkeepsie of the International League.



Detroit's Eddie Murray leaped into the arms of quarterback Eric Hipple after kicking a 53-yard field goal just before halftime.

NFL Standings

Table showing NFL standings for various divisions including AFC East, AFC Central, AFC West, AFC South, AFC North, AFC West, AFC South, AFC North.

Large advertisement for the International Herald Tribune featuring the word 'SAVE!' and subscription information.

Observer

Jack & the Tax Shelter

By Russell Baker

NEW YORK — One day a giant who lived in a castle in the sky dropped some magic seeds out the window. Upon waking next morning, he was astonished to see a huge beanstalk outside his window and, upon looking down, he saw that the beanstalk was rooted far below in the earth.



Baker

"What do you make of that beanstalk?" the giant asked his wife at breakfast.

"It's an open invitation for cat burglars to climb up here and steal the hen that lays golden eggs," she said.

"I'll fix that," said the giant and took his pruning shears to the window.

Jack, having climbed heroically, had almost reached the window when he saw the giant lean out with the shears. "Hold on there, friend! I have a free toaster for you," he shouted to the giant.

The giant, who was a Reagan man, had already heard that there was no free lunch and believed it, and from that philosophical premise he had gone on to the conclusion that there were no free toasters either.

"Why aren't you at the piano working on your new symphony?" she asked the giant.

"There's more to life than writing symphonies," said the giant. "Do you realize we could be getting more than 12 percent interest, tax free up to \$2,000, simply by letting a bank hold the hen's golden eggs for one year?"

"Plus this marvelous toaster absolutely free," said Jack.

The giant's wife glared in disapproval. "Interest is for loan sharks, bankers and the Swiss," she told him.

To please his wife, the giant sent Jack back down the beanstalk and sat at the piano to wrestle with the theme for his large movement, but he was unable to concentrate on the music. Each half-note he struck reminded him that half the profits

of a successful symphony could be taxed away unless he sheltered his income.

That night while his wife slept the giant slipped down the beanstalk with his hen and plopped Jack who put him in touch with a tax lawyer named Ben.

Next morning his wife discovered the hen was missing when she went for two eggs to boil for breakfast. "Calm down," the giant said. "Jack has the whole week's supply of eggs in all-saver's account and Ben is putting the hen in a tax shelter."

The giant felt so good about high tax-free interest and tax dodges that he didn't work on his symphony all day, or the next day, or the next week. His wife was berating him for giving up his work when Ben dropped in via the beanstalk.

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New York Times Service

Mary Blume Nell Dunn's 'Steaming' Success

International Herald Tribune LONDON — "Steaming," the new comedy which is enjoying a successful run here, is unusual in several ways. Its leading characters are all women and since the play is set in a Turkish bath for much of the time they are unclothed. (The program, in addition to listing available London baths, credits Colgate Palmolive for the soap).

The women's state of undress is not only physical but they play goes on they reveal their hang-ups, and dreams, often in words a lady isn't supposed to know. They also take dips in the real pool on stage which makes the play's author, Nell Dunn, feel contrite as she worries that they will catch cold. She also worries that the nudity and blue language might attract people for the wrong reasons.

"I don't know what I feel," Nell Dunn said in her house in Fulham. She is very nice, friendly, shy, with the restless look of a kid who might run off with the gypsies. "On the one hand I wanted it to be natural and daring and a celebration of the flesh, and at other times I get terribly nervous that it is being cooled over for the sake of drooping."

She needs to worry. The audience's reaction at the play's end makes it clear that they have caught the author's affectionate and celebratory mood.

Since her first book, "Up the Junction," in 1963, Nell Dunn has written about success in a usually non-strident and warm-hearted tone. "Steaming" will be called feminist by some, but it isn't her word. "I'm not sure it's a feminist play," she said. "I'm for women but that doesn't make it feminist."

She is overcome with pleasure at having written her first play at 45 and so excited on opening night that she could hardly be dragged offstage after her curtain call. She thinks "Steaming" is very much an imperfect first play: Before writing it she rarely went to the theater and didn't even know what a green room was. The only member of her family ever remotely connected with the theater was her grandfather, the Earl of Rosslyn, who took the vast Stoll Theatre for one night and hired Lillie Langtry to play Ophelia to his Hamlet.

"I didn't like the isolation of

writing novels anymore," she said. "I was sick of it. It got so introspective and lonely. Also, it seemed quite voyeuristic, looking at people through a glass. I enjoyed it much more than writing a novel. I think it had to do with having to have people meet each other. In my novels the characters go their way and don't meet."

Chatter and Attitudes Miss Dunn had been going to a steam bath in Paddington and was fascinated by the women's chatter as well as by people's attitudes to pleasures of the flesh. "Intellectual pleasure is OK, but physical pleasure is at its least bad lazy, at its worst something else. If you say you're reading Shakespeare in the afternoon people say fine. If you say you're spending the afternoon in a Turkish bath, that's wrong."

Nell Dunn was born in London and convent-raised. "I had had dreams of being in the arts but how to do it was a complete puzzle to me. It felt like looking out of the window and drawing what I saw when I wrote 'Up the Junction.'"

"Up the Junction" came about after Nell and her then-husband, Jeremy Stanford, moved to the working-class area of Battersea in 1959. "I had gone to Battersea for reasons that had nothing to do with being a writer. I don't know what they had to do with."

It was warm and friendly, I liked the buildings which are all gone now. I wrote 'Up the Junction' because I was so delighted and amazed by what was going on around me."

A series of vignettes about such varied, anarchic characters as Ruby, Sylvia and Fat Lil. "Up the Junction" still has warmth and vitality and humor after nearly 20 years. "Poor Cow," which followed, was an equally friendly with its heroine who is also the base for Jessie, the leading figure in "Steaming."

When "Up the Junction" came out, it provided the moral watchdog Mrs. Mary Whitehouse with her first crusade and Nell Dunn was reviled as a class traitor out slumming. The Daily Express sent photographers to Battersea to interview her chums.

"At the time I was knocked sideways by the fuss. So were my friends at Battersea because they'd read the stories and laughed when they came to my house for a bath. I was working in a sweets factory. When they found the place swarming with reporters, they didn't know what to do."

Her novels that deal with middle-class women are, she says, less successful than those about the working class. "This is where I feel inadequate to other writers. I need to gain access to characters in real life. Having gained

access, I speak in their own voices.

What she writes is informed by affection and surprise and she has a fine ear:

"I was the youngest bride in Battersea, married at 15, had Mike when I was fifteen and a half. Ten minutes after he was born I was still up in bed sucking a stick of rock."

"My dresses got covered in milk because she was lying on her bed washing just outside my bedroom window. She was a big blonde woman. Paid forty pounds for a coat and out she swaggered — she was all mouth and guesstwork."

"Never mind, Sylvia. Sylvia pushed her blonde hair behind her ear. 'Keep never mind, it's only for life.'"

Nell Dunn has also written nonfiction and will devote the coming year to a children's book on diabetes, from which the youngest of her three sons suffers. "I've seen mothers of diabetics have nervous breakdowns. This book will be about how to deal with diabetes because all the information is clinical rather than domestic, if you see what I mean. Then I'll be dying to write a play."

She writes about women, but not by intent. "It was quite accidental although early in my writing career I was drawn to exploring women's lives. I was very moved by them, much more than by men's lives."

"I think I'm beginning to understand men's lives better. That's very new to me. I think I had a very strong sense of aggression but of I don't understand you, I'm going to ignore you."

In one of her favorite lines in "Steaming," a character asks: "How come men don't cotton to how interesting it could be to know a woman really well?" What interests her now is not the difference between men and women but why an honest relationship is so difficult to achieve.

"One of the biggest agonies in life is loneliness. I've seen that as a problem since the age of three. If that is so, why are we so inept at making satisfying relationships? That interests me terribly because I think the ideal relationship exists," she said. "But why is it so elusive?"



Nell Dunn with sons Reuben, 17 (center), and Jim, 13.

PEOPLE: Blindness No Barrier To Rubik's Cube Addict

Like thousands of others, Garvin Clemons is hooked on Rubik's Cube. But he's probably the only blind cube addict. Clemons has a special cube, created by Paul Shannon, of Killen, Ala., a former radio engineer and tinkerer. Conventional cubes are made up of smaller, movable plastic cubes of six different colors. Once the cube is twisted, the colors are mixed up. The trick is to manipulate the puzzle until each side is a solid color. Clemons' cube has holes drilled in the small cubes to represent five of the colors. The sixth color blocks were kept smooth. Clemons, 47, has been blind for almost 10 years, the victim of a dynamite explosion on a construction job. Yet Clemons is able to work the cube. "I have to let my fingers and my hands do the looking for me," Clemons said. "It's just using your mind. It puts you to a lot of thinking."

The Jeffrey Ballet will celebrate its 25th anniversary today with a gala performance under the patronage of Nancy Reagan. The first lady is expected to attend the performance at the New York City Center. Robert Joffrey founded his company in 1956 with six dancers from his school, the American Ballet Center. It was a touring company that did not dance in Manhattan for 10 years. It is still a touring company but it has been based at the City Center since 1967. The company has 41 dancers, down from 48 due to financial considerations, and a junior company, Joffrey II, of which the Regans's son, Ron, is a member. The Silver Anniversary Gala will consist of a retrospective in dance, film and narrative of the work of choreographers whose ballets comprise the company's wide-ranging repertory. It will kick off a five-week Manhattan season followed by a 17-week U.S. tour. One of many that has taken the company to 500 cities in 49 states.

Fourteen different drugs — including 10 types of the normal mammogram of cocaine — were found in the body of Elvis Presley after he died in a bathroom of his Memphis mansion, a toxicologist testified. The expert said he had never seen such a massive concentration of depressants. Dr. George Nichopoulos, Presley's physician for 11 years, is on trial in Memphis on 14 criminal counts of overprescribing addictive drugs to Presley, singer Jerry Lee Lewis, himself and eight others. Prosecutors drew

the details of the autopsy report from Dr. Norman Waxman, a California researcher who examined blood and tissue samples, including parts of Presley's brain, frozen in dry ice and shipped to him by the nine-member medical team that conducted the autopsy.

Robert S. McNamara, former defense for Presidents John F. Kennedy and Lyndon B. Johnson will become chairman of the board of the Overseas Development Council — a private group devoted to helping poor countries. McNamara, who was 65 in June retired at the end of that job after 12 years as president of International Bank for Reconstruction and Development's World Bank. He is expected to take over his new position as from the Rev. Theodore M. I.burgh, 64, Hesburgh, who led his post as president of the University of Notre Dame at the end of the academic year, has been ordered by the American Council on Education at its annual meeting with its award for academic leadership.

Tests show that Brazilian President Joao Figueiredo, recovered from a moderate heart attack suffered last month, will not require cardiac surgery. Cleveland City doctors said. Figueiredo's physician said that doctors completed tests and concluded that damage to his heart was reversible. Figueiredo, 63, should be able to return to Brazil Friday or Saturday and resume his presidential duties in three or four weeks.

Metro-Goldwyn-Mayer has told that actress Raquel Welch is presented enough evidence to justify a trial in her suit against the studio for infliction of emotional distress in her firing from the film "Cannery Row" last December. Welch is also suing the studio, producer and others for libel, breach of contract and is asking for \$7.4 million. The studio has not objected to going to trial, the contract and libel issues. It had said Welch didn't have a case as far as proving infliction of emotional distress. Los Angeles Superior Court Judge Edmund R. Disraeli and told MGM to respond to that portion of the suit 30 days. The libel charge arose from statements that studio executives made to a writer for Rolling Stone magazine.

CLASSIFIED ADVERTISEMENTS

Real estate listings for various locations including Paris, London, and other international cities. Includes sections for 'REAL ESTATE FOR SALE', 'RENT/SHARE', and 'COMMERCIAL SITES'.

INTERNATIONAL BUSINESS MESSAGE CENTER

Advertisement for International Business Message Center, offering services for business communication, including message forwarding, translation, and business opportunities.

Real estate listings for Paris and other international locations, including 'PARIS AREA FURNISHED', 'PARIS AREA UNFURNISHED', and 'RENT/SHARE' options.

Advertisement for 'PAGE 11 FOR MORE CLASSIFIEDS', featuring various services such as 'BUSINESS OPPORTUNITIES', 'FINANCIAL INVESTMENTS', and 'OFFICE SERVICES'.

Advertisement for Baccarat, featuring the brand name and contact information for their Paris location.

